

WATERFORD, WEXFORD, WICKLOW, AND DUBLIN
RAILWAY COMPANY.

RETURN to an Order of the Honourable The House of Commons,
dated 9 August 1850;—for,

COPIES " of the COMMUNICATIONS and PAPERS which have passed between the
Railway Commissioners and Messrs. *Lewis and Nash*, and Mr. *Nash*, relating
to the WATERFORD, WEXFORD, WICKLOW, and DUBLIN RAILWAY COMPANY,
up to this Date."

Office of Commissioners of Railways, Whitehall, }
3 February 1851.

Duncan MacGregor,
Registrar.

Ordered, by The House of Commons, to be Printed, 21 February 1851.

WATERFORD, WEXFORD, WICKLOW, AND DUBLIN
RAILWAY COMPANY.

(No. 1684.)

20, Montague-street, Portman-square,
30 March 1848.

Sir,
I HAVE to enclose you a Memorial from Shareholders in the Waterford, &c.
Railway, and to solicit the attention of the Commissioners to it.

As I am about to leave London for a few days to visit the Line personally,
I presume any meeting upon it may stand over for ten days.

To Captain Harness,
&c. &c. &c.

I have, &c.
(signed) *Charles Nash*.

Enclosure.

WATERFORD, WEXFORD, WICKLOW, and DUBLIN RAILWAY COMPANY, and THE SOUTH
WALES and GREAT WESTERN RAILWAY COMPANIES.

To the Right Honourable the Commissioners of Railways.

The humble Memorial of the undersigned Shareholders and Scrip-holders to a large
extent in the Waterford, Wexford, Wicklow, and Dublin Railway.

1. In appealing to the Commissioners of Railways with reference to the applications, and
conduct of the Directors of this Company, we may remark,—That we are *bonâ fide* and original
shareholders in respect of shares for which we have paid above 2,000 £, purchased at par,
or at premiums for *bonâ fide* and legitimate purposes of investment, and that we echo the
sentiments of the mass of *bonâ fide* shareholders (who are however a minority of the votes
of the Company), when we state our confidence that the Commissioners will deem it to be
within their powers to investigate the circumstances which we now lay before them, and will
state and recommend to Parliament those circumstances, with a view to an investigation,
otherwise there will be no relief in respect of the illegal and improper conduct of the
directors, as well in the formation of the Company, and in obtaining their Act of Parlia-
ment, as in their subsequent proceedings, and in violation of the spirit and object of the
Standing Orders of Parliament.

2. By the most illegal and fraudulent means the directors have secured a bare majority of the votes in the Company, and have refused every investigation and information as to its affairs and transactions, in which the defective state of the law seems to aid them, and by reason of the imperfections in the Acts of Parliament relating to Railway Companies, and in the practice of Committees of the Houses of Parliament, *bona fide* shareholders of railway companies are unable to investigate their affairs and are prevented from being heard for any relief, unless the Railway Commissioners should interpose by their recommendation and investigation in a case where the legal as well as the moral duties of the directors to their shareholders have been to an unequalled extent violated, and the deepest injuries inflicted by directors, not only with complete impunity, but with great personal advantage to themselves.

3. Moreover, these facts have an important bearing, not only on the affairs of this particular Company, and on the affairs of the South Wales and Great Western Railway Companies, but a public one of general importance, which will, we trust, render the facts which we bring under your notice worthy of a more extended consideration, in the hope of an improvement of the law, and the better regulation of the conduct of railways, and the increase of the powers of shareholders, and their right of supervision.

4. The directors of "The Waterford, W. and Dublin Company" have an application to Parliament in this Session, 1845, for additional powers, and to enable the South Wales Railway Company to subscribe for shares (we believe to the extent of 12,500 shares of 20*l.* each, amounting to 250,000*l.*, and to nominate half the directors of this company, and to lease the Dublin and Kingstown Railway. And the "South Wales Railway Company" have also an application before Parliament for leave to take such shares, and to nominate such directors, so that the remaining half of the directors of this Company, if the *bona fide* shareholders could nominate them independent of the Great Western Railway Company or any other Company, would be neutralized by the directors in the interests of these other Railway Companies. Both the said Companies are also applicants to the Commissioners for an extension of time under the late Act of Parliament, and as such applications are promoted in truth by one and the same interest, and indeed by the same party, we feel more confidently that an opportunity is offered for that investigation which the public interests, and the justice of the country will justify, and which justice to the shareholders, who are sought to be coerced by means of their own deposits, require shall take place.

5. The Waterford, &c. Company was started in the year 1845, under the auspices of the Great Western Railway Company's officials, and in connexion with that Company, under their management, and in fact it continues so, and has its head-quarters at the Great Western Railway establishment in West Strand. It had the names of several directors of the Great Western Railway Company and South Wales Railway Company upon it, and still retains them thereon. The line was to run from Dublin to Wicklow, Wexford and Waterford, a length of about 140 miles. The capital was to be 2,500,000*l.*, in 125,000 shares of 20*l.* each, with a deposit of 30*s.* per share. In consequence of the number of high names put forth by the projectors, and the statements promulgated of the prospects, traffic and profitable returns of the proposed line of Railway, applications were made for a greater number of shares than could be complied with, yet the directors, according to their own accounts, and the Report of the Railway Commissioners on their Bill in 1847, issued at most only three-fourths of the shares, namely, about 75,000 shares, reserving one-fourth, or 25,000 shares, on pretence of being for the South Wales Railway Company, but in truth for illegal and corrupt purposes, and for the purpose of what is termed "ringing the market." The shares were then standing at a premium, and were purchased by us at a premium, being, as we believe, part of the same shares that were allotted to the directors or their friends.

125,000*l.* 7. The 75,000 shares now alleged to have been "subscribed for" and paid upon by a deposit of 30*s.* (or 7½ per cent. only of the amount required by Parliament), constituted the exact number required by the Standing Orders of Parliament; viz., "three-fourths of the proposed capital should be subscribed for, and a deposit of 10 per cent. paid thereon," required for Parliamentary deposits. In truth it will be also seen that there were only *bona fide* subscribers to the extent of about 50,180 shares, or one-half of the nominal capital and deposit. The Company were, therefore, not in a position to go to Parliament for the Act of Incorporation, and the Company could have been dissolved (under Lord Dalmahoy's Act) and the deposits returned, but the directors concealed that deficit from their shareholders, which would have stayed the progress of the Company, and proceeded to Parliament in the Session of 1846. As the time approached for making the Parliamentary deposits, the directors had recourse to collusive signatures to the deeds, and to fictitious deposits, contrary to the spirit and objects of the Parliamentary regulations, and to the interests of the *bona fide* shareholders; and sought, by means of fraud and deception, to obtain an Act of Incorporation. The signatures of persons in their employ, and connected with the Great Western and other Companies under their management, were procured to the Parliamentary deeds for large sums, under "arrangements" as to non-liability, which are injurious and unfair to the *bona fide* shareholders, and the deposits were made up partly by loan and other improper practices.

14th.

8. The directors also, in 1845-6, represented to their shareholders that "the South Wales Railway Company" would subscribe, and had subscribed, for one-fourth of the capital, being 25,000 shares, amounting to HALF a million of money, and on which a deposit was payable

payable of 37,500 *l.* by the South Wales Company, whereas, in truth, instead of the Parliamentary deposit (of 150,000 *l.*) being raised from *bona fide* subscribers, and deposit a sum under 112,000 *l.*, or less than 7½ per cent. according to the directors' own reports, but only 5 per cent. according to the shareholders' facts, was the subscription of shareholders; and to assist in meeting the deficiency or difference in Parliamentary deposits, a sum of 60,000 *l.*, or thereabouts, was borrowed from the Royal Exchange Assurance Company, with which Company we believe persons in the interest of one of the directors of this Company was connected; and we believe that on investigation it will be discovered that other moneys and subscriptions were improperly raised for the deception of Parliament and the shareholders. It will be remarked that the deposits credited by the directors themselves of 30 *s.* per share on 75,000 shares amounted to only 112,500 *l.*, being one-third short of the amount required by Parliament, and that the deposit of 30 *s.* per share was required on the whole 150,000 shares to enable the directors to raise the Parliamentary deposit (of 150,000 *l.*, being 10 per cent. on three-fourths of the capital) required to be deposited by Parliament. Moreover, if (as we contend) only half of the capital was *bona fide* subscribed for, then there was realized, at 30 *s.* per share, only 75,000 *l.*, or one-half the Railway deposit. No entry of, or reference to, these transactions appears in such of the accounts or published proceedings of the Company as the directors have thought proper to communicate to their shareholders, but they have been concealed, and we have been, up to this moment, denied access to those books which show the real transactions of the Company, and which they (the directors) allege "the Companies Clauses Consolidation Act of 1845" does not require them to produce to their shareholders. The circumstances have, however, escaped into publicity in the discussions raised by some of the shareholders with the directors; and in opposition to the feelings of a vast number of shareholders, the directors proceeded to Parliament in 1846, and in July in the Session of that year, this Company obtained their Act of Incorporation, but (as we submit) by the means of the fraud and deceit practised upon the shareholders and the Legislature. Which facts and conduct of the directors having come to the knowledge of some of the shareholders, a vast body of them refused to sanction the proceedings, and desired to arrest the progress of the Company; and further misrepresentations having been discovered, they in September 1846 organised and formed a "Shareholders' Committee," having for its object the dissolution of the Waterford, &c. Railway Company, as hereinafter detailed; but before entering on their proceedings we will revert to the South Wales Railway Company.

9. In the first Report of the Directors of this Company, at the first general meeting after the Act, held on 21 December 1846, it is stated that "they continue to receive the cordial co-operation and support of the Great Western and South Wales Railway Companies, which are united in a common interest, and under whose influence one-fourth of the stock is permanently held." They also then stated that the deposits of 30 *s.* had been paid on only three-fourths of the shares; viz., 75,186 shares.

10. But at this period neither "the South Wales Railway Company" nor "the Great Western Railway Company" had any power to subscribe for any shares in this Company, and if their directors had done so, it was in violation of their duty, and a breach of trust, and, we believe, only in furtherance of the views of the Great Western Railway Company. It does not appear from the published pecuniary accounts of these companies that they had so subscribed or deposited; and at a subsequent meeting of "the South Wales Railway Company" early in 1847, the directors sought to obtain powers from the shareholders of that Company to hold shares in the Waterford, Wexford, &c. Railway Company, "for a limited period, and not for a permanent." And directors of the South Wales Company, who were also directors of this Company, and of the Great Western Railway Company, at the meetings of the South Wales Company, stated that they, the South Wales Company, held no shares, and had no power to hold shares in this Company. Again, another of the directors of this Company, who is also a director of the South Wales and the Great Western Railway Companies, in the spring of 1847, in the most decided terms, "assured the shareholders of the South Wales Company that if they would assent to a temporary subscription of a quarter of a million to the 'S.W.'s Railway Company, the Great Western Railway Company would bear all the liability; that they would have to take them at par, and not at the market value (then about 3 *s.*, though 30 *s.* were paid); but there could not be a shadow of increased liability of the South Wales Company." The directors of the Great Western Railway Company have also stated that "the South Wales Company would sustain no loss in respect of their contribution to Irish Lines, because the Great Western Railway Company would step in and release them, and would bear it; and though the South Wales Company would have no responsibility, yet they would take the profit, but that they must take the shares at the full amount paid from somebody," although the price in the market was less than 2 *s.* in the pound paid.

11. The shares of this Company fell considerably in the market from the time when the course pursued by its directors was discovered in 1846; and "the South Wales Company," in the Session of 1847, did not carry through Parliament their proposal to hold such shares, nor did the directors of this Company seek to do so, although they carried through the Parliament of 1847 a Bill to reduce their capital to 1½ millions. The South Wales Company are now (in the Session of 1848) seeking "for power to subscribe" for only one-fourth of a million of capital, as before mentioned; whereas in the spring of 1847 they admitted to the Railway Commissioners that they, "the directors of the South Wales Company, had exceeded their powers," and committed a breach of trust, by subscribing to the Waterford, &c.

the Railway Company, without powers for that purpose;" and the Great Western Railway Company were equally open to a charge, for having induced them to do so, and pledged the Great Western Company to an indemnity to the South Wales Company for so large an amount of shares in this Company as half a million sterling.

12. Under these circumstances, it will be seen that the directors have created a fictitious capital, even with reference to the subscribed three-fourths, being the 75,180 shares; and although credit is given for "deposits" on that number of shares, yet that, for a portion of it, we believe it will be found that persons subscribed the sums, and the Parliamentary deeds, upon an "understanding" that the payment of the "subscriptions" should not be enforced from them personally, which was an imposition upon the *bona fide* shareholders; and it will be found that the directors have made some secret "arrangement" for the indemnity or protection of the persons who have subscribed the contracts and have registered shares, and without giving to the *bona fide* shareholders *bona fide* co-subscribers and co-shareholders. Even if such persons were, or are now, put forward for the purposes of the South Wales Company, yet they have purchased, or caused to be purchased, a considerable number of shares at much less than the amount of deposit paid thereon, the profit upon which, if sold to the South Wales Company "at par," as before stipulated, will be very considerable, and will go into the pockets of somebody, to the detriment of the South Wales Company's shareholders, and their guarantee, the shareholders of the Great Western Company.

13. Again, if the subscription of "the South Wales Company for only one-fourth of the capital, or 25,000 shares, be included in the 75,180 shares admitted to be subscribed, then they were subscribed without any legal power to do so, and without giving the shareholders of either Company the legal rights and co-partners they were entitled to have. If they are not so included, then there was not an additional misrepresentation by the directors of this Company.

14. As the South Wales Company are only now seeking for the powers to subscribe, and as it seems that, without their 25,000 shares, the 75,180 shares could not be made up, it is still more apparent that there has been some understanding between the directors of these several Companies, and that an attempt may now be made to get rid of the promises and guarantee of the Great Western Railway Company to be responsible for the subscription of the South Wales Company, and that they are now seeking for power to hold the shares, not in the name of the Great Western Company, as it ought to be, but in the name of the South Wales Company.

15. At a later meeting of the "S.W. & Co." in the spring of 1847, one of the directors, who is also a director of the South Wales and Great Western Companies, "refused to state if the shares subscribed by the South Wales Company were amongst the number constituting the meeting;" and the secretary of the Great Western Company has alleged that "it was notorious that the South Wales Company did step forward, and take certain shares." The directors have, however, refused access to those books which would explain their actual pecuniary transactions, and have only offered access to a book which appears to be merely colourable and formal, to comply with the words of the Act of Parliament.

16. In the Commissioners of Railways Report for 1847, upon the Great Western Railway Schemes (No. 164, p. 13), is the following passage: "The Commissioners have received a memorial from the Dublin and Kingsdown Railway Company, in which they complain that the South Wales Railway Company have, without legal authority, subscribed a considerable sum to the Waterford, &c. Company. The South Wales Company admit that such is the fact, and that in so doing they have exceeded the powers of their Act."

17. It has lately been announced by the directors of this Company, that the South Wales Railway Company have this year (1848) paid into deposit "10 per cent. on the 250,000 l. capital subscribed by the South Wales Company to this Company, amounting to 25,000 l.," which is only half of the amount before alleged to have been subscribed in the years 1844-6; and they seek not only to legalize a subscription on their own Company's account, but to terminate one-half of the directors of this Company.

18. It is difficult to reconcile these conflicting statements; but in whatever way these transactions relative to the capital, subscriptions, and deposits, and to the South Wales Company, are viewed, we submit that there has been gross illegality and moral fraud practised towards the shareholders of this Company, and great injustice committed, and sought to be legalized, upon them as well as upon the shareholders of the Great Western Company and South Wales Company, and fraud upon Parliament and its statutory provisions, and whereby the Act of Incorporation was improperly obtained.

19. We will now revert back to the proceedings of the directors, after obtaining their Acts of Incorporation, and to the first meeting held in December 1846, when the shareholders committee had been formed for investigation and dissolution.

20. That committee had a majority of votes still opposing the acts of the directors, and desiring to dissolve, and to divide the deposits; and we will now state the course which was adopted by the directors to defeat those wishes, by means which, we submit, were as illegal as they were discreditable to the parties concerned.

21. The associated shareholders were composed of holders of scrip, who refused, under the circumstances, to register their scrip, and take shares, and were therefore disfranchised by the directors. A second section were persons who had purchased scrip of the original allottees

allottees or subscribers, and who required to be registered in consequence of a notice given by the directors themselves, but which was refused by the directors. A third section were registered shareholders, who had, on discovering the frauds, transferred their shares to other persons, whom the directors refused, in some instances, to register; and a fourth section were ordinary registered shareholders; and there was a majority of these classes against the directors.

22. The directors finding themselves in the minority, persuaded the representatives from Ireland of some of the shareholders to consent to an adjournment of the general meeting for two months, "in order to an arrangement and investigation."

23. The directors who had before called upon "scrip-holders" to register, refused to register them, and to receive their votes, excepting in the names of the original allottees or original subscribers, although the sale of scrip has been held to be legal, and to be sanctioned by the "custom of trade;" and they refused to permit the votes of scrip-holders to be counted at all in the discussions. Pending that postponement, the directors registered "original allottees" and subscribers, and then the directors themselves, their solicitors, stockbrokers and agents, and persons acting in their behalf, and of whose exertions they took the benefit, applied to those allottees and subscribers to the Parliamentary deeds, and stated that they had determined not to register the purchasers of their scrip; that they had registered or should register the shares in the names of the original subscribers, and suggesting terms of "arrangement;" and then terms were agreed upon to secure the votes of such persons in favour of the directors. They also applied to persons whose proxies had been lodged with the Company for the purposes of voting against the directors, to withdraw their proxies, and to register their shares, or transfer their shares to nominees; and in many cases the agents and servants of this and the Great Western Companies sought to take transfers of all such shares at a small price (but considerably higher than the market value of about 3 s. per share), although a deposit had been paid of 30 s. each, and to hold the individuals free of all responsibility in respect thereof upon their so doing.

24. We believe that an investigation (of the books) will show that a great number of the original allottees and subscribers were allowed to withdraw from the Company, and were released from their liabilities, and that shares and votes were purchased, registered and transferred to clerks and servants of this Company and of the Great Western Company as mere nominees.

25. A considerable sum of money was corruptly expended in these transactions, and a number of votes illegally secured by the directors and their agents; shareholders were disfranchised, and the directors refused to register upwards of 17,500 scrip shares, tendered for registration, pursuant to their advertisements, and numbers of proxies were rejected by the directors, and others bought up.

26. By these censurable and unjust proceedings, the shareholders who remained on the register were grievously injured, while their money was applied to buy off and defeat the opposition, and thus the directors (who continued in office contrary to the Act of Parliament) were enabled to turn the majority, at the adjourned meeting in February 1847, in favour of the directors, but only by a majority of 1,600 votes on one question, and 775 on another question for the continuance of the Company, 40,500 shares only voting.

27. The directors (as also appears by the published reports) bought off various sections of the Irish shareholders through persons who pretended to act in hostility to the directors, and for the benefit of the mass of *bona fide* shareholders whose subscriptions and assistance they had received for the purpose of dissolving the Company.

28. By these nefarious means, the directors have been able to incorporate the Company, and to maintain it in a lingering existence, but certainly not with any advantage to the shareholders, or *bona fide* for their benefit.

29. The directors, although they had not (as before submitted) *bona fide* subscriptions to the extent of even three-fourths of the capital, yet proceeded as a company, and in the middle of the year 1847 they made a call of 10 s. per share, having at the time made no contracts for works, and having 72,000 l. in hand (which is now reduced to 54,000 l.), whilst it appears that, for the purposes of the Parliamentary deposit, they made up and borrowed moneys, upon which they appear to have paid a bank commission and interest; and, under the circumstances, we have reason to believe there is no such balance paid up or actually in hand *bona fide* belonging to this Company, and we have in vain endeavoured to learn where it is placed. Here we may refer to the Report of the Commissioners of Railways, 1847, on this Company (Group 42), because it is therein stated that "the share-capital was created by the issue of 100,000 shares of 20 l. each, upon which 2 l. per share had been called up," whereas, in truth, it will be seen that only 72,000 shares, according to the directors (or 63,000, as we say), had been issued; and if the facts had been accurately furnished to the Commissioners, then Parliament and the public would have been informed that only 11,000 shares had responded to the second call of 10 s., leaving nearly nine-tenths of the capital and deposit then liable to forfeiture, and the Commissioners would not have reported in a way so little calculated to show the real state of the Company, by blending the total shares and the total calls into one sum, as above set forth.

30. The directors, in the Session of 1847 (as before stated), applied to Parliament for

additional powers, and to enable them to proceed with the Company with one-and-a-half millions only, or rather to enable them to "proceed with the Company, when one-and-a-half millions, or 75,000 shares, should have been subscribed." We submit, that this admits that it had not theretofore been subscribed, and that the one-and-a-half millions held out to the world as subscribed, was not a *bona fide* subscription, and consequently that the directors are acting unlawfully.

31. The body of the shareholders proceeded to Parliament to oppose such Bill, and proposed a "Bill for the dissolution of this Company." It was pending those Parliamentary proceedings that directors of this Company, being also directors of the Great Western and South Wales Companies, declared that "the Great Western Company would take the South Wales Railway shares at par, or 50 s. each" (the price in the market being then 3 s. each); and stated at one time, that "the shares were to be subscribed for," and at another time, "they were subscribed for;" also stating at one time that "they were permanently held," and at another time, and to a different body of persons, that "they were temporarily held, and that the Great Western Company were to indemnify the South Wales Company in respect thereof."

32. At a special meeting of the shareholders of this Company to consider their Bills before Parliament, held in May 1847, the Bill proposed by the directors was stated to be different to the one which they had proposed at the preceding February meeting, and a clause had been sought "to legalize the illegal conduct of the directors."

33. The Group (No. 45.) upon the "Amendment Bill" proposed by the directors, and on the "Dissolution Bill" proposed by the associated shareholders, met in May 1847, and the Report of that Committee contains the following passages:—

34. "That the following petitions were referred to the Committee; viz. three petitions from certain shareholders, alleging improper and irregular practices on the part of the directors; that at the time the Subscription Contracts of the said Company were deposited, a considerable portion of the money required to be deposited had not been so subscribed; that the promoters of the said Railway had prevailed upon certain persons to execute the Subscription Contract, undertaking that payment of their subscriptions should not be enforced; that imposition had been attempted to be practised on the *bona fide* shareholders; that the Subscription Contract has not yet been completed. Counsel appeared in support of the petitions, but the Committee were of opinion that they had not sufficient *locus standi* to enable them to be heard in support of the petition." "A petition from the Irish South Eastern Railway Company, alleging that if the said Bill was passed, it would prove a great injury to the public and petitioners, who would be deprived of the benefit of railway accommodation between Dublin, New Ross, Enniscorthy and Waterford; that there was no *bona fide* subscription of 1,500,000 l. powers applicable to the construction of the said railway. Counsel appeared in support of the petition, but were not allowed to be heard, as the Committee were of opinion that they had not sufficient *locus standi*." "A petition from the Dublin and Kingstown Railway Company, alleging want of *bona fide* subscription of capital, and inability to comply with agreements entered into with petitioners."

35. It may be remarked, that this Report describes some of the allegations contained in the petitions in very mild and inconsiderate terms, as to practices of directors, to an extent unparalleled, as far as public disclosures have yet made known, yet it will be seen that the Committee did not consider or report upon those statements, but, by exercising a privilege which is often controlled by the feelings or caprice of the majority of the members of the particular committee, excluded the shareholders from being heard, and from all investigation into the acts of their trustees, the directors, who were thereby enabled to continue the Company, and in the management and control of its affairs, against the wishes of their *constituted* trusts, many of whom had been previously disfranchised, and their interests confiscated, by the proceedings of their trustees before mentioned.

36. Some "arrangement" was made at this period, by which further opposition by the section of the shareholders who were entrusted with the opposition was suddenly withdrawn, and the directors' Bill passed through the House of Commons, and afterwards through the House of Lords, without further opposition. It appears (from the published Reports) that a great number of *bona fide* shareholders were literally "bought and sold" for the occasion; but we submit, that such Bill cannot affect the original shareholders, and their rights and interests; nor can the directors be allowed to use their deposits, which were for a line, in its integrity, to Waterford, with co-subscribers and co-partners to the extent of two millions, and that project ought to be considered as having failed, and a new body of subscribers ought to be obtained under that Act of 1847, or the individual consent of the original subscribers to be obtained to the new project: this view is fortified by the opinion of eminent counsel, yet the shareholders cannot avail themselves of Lord Dalhousie's Act, nor of the Bill now before Parliament.

37. The directors are now (1848) seeking for some additional powers, but we are unable to foresee what clauses will be granted by the Committee of the House, or by the Chairman of Ways and Means, at the last moment, without any publicity; and we submit, that the Commissioners, and the Committee of Parliament on their representations, will take care that those rights of the original subscribers are not affected, nor the directors' conduct legalized by any powers sought to be surreptitiously obtained in the absence of shareholders, who are excluded from any hearing in the Parliamentary Committee. We have been refused a copy

of

of the proposed powers sought by this Company in this Session, and therefore we can only rely on the report and suggestions to Parliament of the Commissioners of Railways, and on their investigating these allegations, and appending them to their Report, so as to put the House and Committee in possession of them, in order to stop the further progress of this Company, and any attempts to interfere with the legal rights of the shareholders, or to legalize the illegal acts of the directors; we also rely on the Commissioners recommending to the Committee upon the Bill to hear the shareholders in opposition thereto, and to the further proceedings of this Company, whose directors use the old subscriptions and calls, and threaten to apply to the old Subscription Contracts and registered shareholders, who have subscribed on the faith of a line with a capital of two millions, and not for a line as now proposed to Wexford only, with a reduced capital, without new Subscription Contracts, and a new subscription.

38. The directors have recently made a call of 1*l.* per share, so as to make 2*l.* paid per share, but such call has not been responded to.

39. And although the preceding call of 10*s.* was made twelve months since, it does not appear that it has ever been paid on more than 23,663 shares, leaving nearly eight-tenths of the amount unpaid.

40. When the recent Statute was in contemplation for stopping any contracts for works of new railway companies, the directors of this Company made a contract which excluded them from the operation of that Act, but no previous works have been contracted for or executed, and as the portion of the line to Bray, upon which some work has been executed, is the only part of the scheme likely to pay its expenses, and as that had been conceded to the Dublin and Kingstown Railway, and that Company can, under their Act, make it, we submit with confidence, as a question of public policy, as well as in justice to the shareholders, that this Company is not in a position to go on, and ought to be stopped, and the directors ought to be made responsible for their misdeeds; we are assured that a vast body, indeed the whole, of the bond *fide* shareholders would desire to close any contracts entered into by the Company, and to divide the balance in hand; but they have been unable to give effect to those wishes, because the directors have, by the aforesaid means, and by excluding shareholders from expressing their opinions (because they have not paid the illegal calls), retained a bare majority of the votes, whilst the shareholders are treated by Parliament as in the false and anomalous position of being supposed to speak through, and to be represented by the directors, by the common seal of the Company, and are not allowed any other voice in Parliament.

41. We have also reason to believe that the directors are expending money, and have agreed to contribute towards the expense of experiments and steam-boats between the South Wales Railway Terminus and Ireland, which we submit is also illegal, and an unfair application of the funds of this Company.

42. We finally submit to your attention, as having a general application, that it is very disastrous to the interests and independence of railway companies to have on their direction the directors of another company, who exercise their influence, and use the company as the instrument of promoting the foreign views of such separate companies, as in this case, where the Great Western Railway Company command the direction, and have promoted this line and kept it in existence, avowedly to "secure the Irish traffic, in competition with the London and North Western Railway, and to benefit the South Wales Railway," of which the Great Western Company are directors, managers, and large shareholders, and to which they have guaranteed a dividend, but whose shares are also at a considerable discount; in effect, all the evil results of "amalgamation" are felt. It is by such means that those directors in the interest of the Great Western Railway have secured a majority on the direction of this and other companies, sanctioning their aggressive schemes, and even at one time to the extent of inducing this Company to join in a line from Oxford, through North Wales, to Port Dynllken, promoted by the Great Western Railway Company, and wholly foreign to the locality, as it was to the objects of this Company.

43. And it is worthy of remark, that the officers, auditors, clerks and book-keepers of this Company belong to or are connected with the Great Western Company, who conduct and control the affairs of this Company, and carry on its business at their own establishment and office, towards the expenses of which this Company contributes, besides an enormous allowance of 1,000*l.* a year to the directors, and 1,000*l.* a year to the secretary of this Company, voted by themselves under the circumstances before stated, and unparalleled in the history of railway inquiries.

44. It does not appear that any "book-keeper" has been appointed under the "Consolidation Act of 1844," and that the secretary spends most of his time in Ireland, whilst the books are in London, in the charge of the Great Western Company's officers, and no responsible person of this Company is appointed to comply with that Act of Parliament.

45. Our applications to inspect the books of the Company having been refused, we are unable to ascertain how the "expenses" of this Company have amounted to the enormous sum of 70,406*l.*, of which only 4,157*l.* are alleged to be for "works, fencing, contracts, land, compensation, valuing, surveying, &c."

46. In conclusion, we repeat that we have here only represented the wishes of the bond

for shareholders, in asking you to withhold your approval of the measures now brought by the Company and by the South Wales Company, until these facts are investigated; and in asking you to represent them to the House of Commons, in order that the Committee may be in possession of them, and that we and the other shareholders may be heard thereon, and against the further proceedings of the directors, and that we may obtain that investigation and justice, which will otherwise be denied to us.

We have, &c.
(signed) *Th^r Warrington, Captain, Montague-street,
T. A. Gallini,
H. Nash, for G. Nash,
Chas^r Nash, for Self and other Shareholders,
Chas^r Nash, Holder of South Wales Com-
panies' Shares, and Parliamentary
Agent for the Memorialists.* } Holders of
above
1,000 Shares
in the
Waterford,
&c. Company.

20 March 1848.

(No. 1345)

Sir,

Montague-street, 28 April 1848.

On the 31st ultimo I forwarded to you, on behalf of myself and other shareholders, a memorial relative to the Waterford, Wexford, Wicklow and Dublin Company, and complaining of the conduct of the directors in transactions with the South Wales and Great Western Companies, whereby frauds had been practised on the shareholders and on the Legislature, in a manner and to an extent which called for public inquiry; and as the directors were applying to the Commissioners for extension of time and powers, it was considered that the Commissioners would entertain those facts, or recommend them to Parliament for investigation.

I have now before me your letter dated the 28th instant, addressed to the Honourable Captain Warrington, in which you inform him that the Commissioners have no power to interfere in the manner suggested, and that the parties must seek their remedy elsewhere.

I submit, however, that the published invitation to "all persons objecting to the extension of time," which was made in pursuance of the late Act of Parliament, entitled shareholders to be heard in opposition to such an application, on the special grounds of the worthlessness of their schemes, and the fraud and misconduct of their own and other directors in collusion with them; and that if it could be shown to the Railway Commissioners that it would be expedient to withhold the extension of time, it was competent to the shareholders to do so, otherwise a very narrow and one-sided interpretation would be put on an Act of Parliament, which was intended to benefit shareholders, as well as directors and the public.

Considering also that in a recent case in which the Great Western interest were the supporters of an appeal to the Railway Commissioners, complaining of the conduct of directors in the manufacturing of Subscription Contracts, and that the Railway Commissioners specially reported on that case to Parliament, with a recommendation for investigation, I have now to submit that the case heretofore laid before you, with the further case which I now propose to submit, is a similar case, and should be treated in a similar manner to the case made by Mr. Hoyer.

The directors of the 3 W.'s Railway have lodged two Subscription Contracts in support of their present Bill before Parliament, "to enable the South Wales Company to hold shares." Such contracts are under the seals of the South Wales Company, which the directors had no power to affix; and there are added the names of 19 persons as subscribers for 187,500*l.*, and as having paid a deposit of 18,750*l.* thereon, or 2*l.* per share on 9,375 shares only; and such persons and the South Wales Company covenant to pay such subscriptions, in face of the fact that shares to any extent may be had for nothing, and have been in the market for 12 months past, alternating between half-a-crown a share to sell, and half-a-crown a share to get rid of shares; and yet these persons would make the Legislature believe, that in December last they were content to buy the shares at par, and to become liable for the whole subscriptions.

I have caused inquiries to be made as to the persons who have signed these deeds; I find them to consist of directors and shareholders in this Company, the

the solicitor and auditor of the Company, clerks at the Great Western manufactory, West Strand, and spinsters and others of doubtful position, who cannot be found.

Considering, also, that in 1846 the Great Western Company repeatedly assured the shareholders that that Company would guarantee the shares to be taken by the South Wales Company in the S W.'s Company at one time, to the extent of half a million, then dwindled down to a quarter of a million of capital, and now proposed to be one-eighth of a million—I submit that the dissatisfied shareholders (who claim only to be protected against frauds) are entitled to be heard before the Railway Commissioners, and to have the facts represented by the Commissioners to Parliament, and as was done in the case of Mr. Hayes; otherwise they will be without relief, and the benefits of a Government check on the proceedings of directors be nullified to a very great extent. The Commissioners must be aware that no other course is open to shareholders, because Parliament will not, in ordinary applications, hear shareholders in opposition to directors, and any other remedy in due course of law is a delusion, and not open to them.

I have, &c.

(signed) Charles Nash,

Shareholder in the S W.'s Company, and in the
South Wales Railway Company.

H. D. Harness, Esq.
&c. &c.

As the shareholders are to meet early next week, I shall be glad of an early reply.

(Draft, No. 933.)

Office of Commissioners of Railways, Whitehall,

1 May 1848.

Sir,

I HAVE been directed by the Commissioners of Railways to inform you, in reference to your communication of the 28th instant, relative to the Waterford, Wexford, Wicklow and Dublin Railway Company, that in conceding the propriety of executing the warrant for extension of time applied for by the Company, they cannot enter into the investigation of the various charges contained in the memorial referred to, as to which the parties have been already informed they must seek their remedy in due course of law, or by application to Parliament.

With reference to the alleged evasion of the Standing Orders by this Company as to the Subscription Contract to the present Bills, I am to acquaint you that by a Resolution of the Select Committee on Railways, in their first Report of this Session, the Committee on the Bills are to make a Special Report, inquiring into the sufficiency and *bonâ fide* character of the Subscription Contract, and report their opinion to the House.

With respect to the case of the South Western Railway Company, the facts relating to the Subscription Contract were stated in the Report circulated by the directors.

I have, &c.

(signed) G. Godolphin Osborne,
Ass. Sec.

C. Nash, Esq.

(No. 1427.)

Sir,

Montagu-street, 9 May 1848.

I AM desired by several shareholders in the Waterford, Wexford, Wicklow and Dublin Railway Company to bring again under the consideration of the Commissioners the facts relating to that Company.

The directors have a Bill now pending in Parliament for a fresh subscription by another railway company, under the guarantee of a third railway company, and to give that other railway company a predominant influence in the direction. The case is therefore precisely analogous to, and comes under, the class of cases

referred to in the "Third Report of the Select Committee on Railway Bills," and the "Report of the Commissioners of Railways" therein contained, and wherein the Commissioners comment on the Standing Orders, Nos. 125, 127, 128 and 130, with reference to subscriptions and deposits by railway companies to other lines; and whilst mentioning the objections to such cases with reference to the South Western Company, and the Taw Vale and Crediton Lines (on the objection of the Great Western Company), yet pass over without remark the Bill of the S.W.'s Company, and the facts mentioned in the former Report of the Commissioners of Railways in the Session of 1847, on the broad gauge schemes, wherein it is stated, that the South Wales Company admitted having illegally taken shares in this Company. The guarantee of the Great Western Company to the South Wales Company for those shares is not mentioned in the paragraph, page 13 of the Report, nor have the directors ventured to introduce it in any Bill, although for two years past it has been promised to the shareholders.

These matters are entered into in detail in the recent memorials presented to the Commissioners, and the shareholders are desirous of having the facts specially brought before the Select Committee on Railway Bills and Parliament, by the same means that have been pursued in the South Western case and in the Exeter cases, where the facts alleged against the *bona fide* conduct of the directors by a shareholder were specially laid before Parliament under a similar course of proceeding to this.

3d. I have also to direct attention to the last paragraph in "the Commissioners' Report to the Select Committee," wherein they recommend that in certain cases, other parties than those having a *locus standi* under the present practice may be allowed to appear against a Bill; and to represent that the case of shareholders complaining of the fraud or improper conduct of these directors, is one especially calling for permission to be heard, and taking the present case as one proving the extreme importance of such a permission being granted, and deserving the special recommendation of the Commissioners to the Select Committee, where shareholders have no other means of relief.

3d. The giving a power to Committees to investigate the *bona fide* character of Subscription Contracts, and the giving a power to the Commissioners of Railways to extend or not the time for completing the works of an existing Company, appear to be of little value to the public or to the shareholders, if the latter are not to be heard upon questions so materially affecting themselves, and if the *locus standi* is to be confined to the landowners and others having an interest in keeping the Company alive, however sickly its existence, and fraudulent its inception; and if the frauds of the directors, and the desire of the shareholders to stop the line, and the certainty of its ultimate decease for want of funds arising from the constitution of the Company, are to be excluded by the Commissioners in considering the application for extension, and the objections publicly invited thereto, or to be excluded by the Committee on the same ground of want of *locus standi*, to show the fraudulent nature of the new Subscription Contract deposited by the directors, and the injustice of granting powers to another railway materially affecting this Company.

The shareholders feel that these points call for the special notice of the Commissioners to the Select Committee, or to Parliament, and that the utility to the public of a public board will be considerably enhanced, if the position and interests of shareholders, and the proceedings of their directors, are viewed with a greater range, and specially brought under the more extended consideration of Parliament and the Select Committee.

In the particular instances to which I have referred, I am anxious to lay before the dissatisfied shareholders the decision of the Commissioners, and the course which will be taken by them on the objections before pointed out.

I have, &c.

Captain H. D. Harness,
&c. &c.

(signed) Charles Nash,
Parliamentary Agent.

(Draft, No. 866.)

Office of Commissioners of Railways, Whitehall,
10 May 1848.

Sir,
I HAVE been directed by the Commissioners of Railways to inform you, in reply to your letter of the 9th instant, that the Third Report from the Select Committee

Committee on Railway Bills, with the Appendix, containing the Report from the Commissioners of Railways to the Select Committee, has been referred by the House of Commons to the Committee on the several Groups of Railway Bills; and that the attention of the Committee on the Waterford, Wexford, Wicklow and Dublin Bill will be thus called to the powers taken by one railway company to subscribe to, and hold shares in, the undertakings of another.

I am at the same time to acquaint you, that the Commissioners have no intention of making any further report to the Select Committee on Railway Bills.

C. Nash, Esq.

I have, &c.
(signed) *H. D. Harness,*
Captain Royal Engineers.

(No. 1557.)

Sir,

20, Montagu-street, 25 May 1848.

As chairman of the dissentient shareholders in the "Waterford, Wexford, Wicklow and Dublin" Company, I beg leave now to draw your attention to the Bill as carried up to the House of Lords, a copy of which is lodged with the Railway Commissioners, in order to point out what appears to be some decisive evasions of the Standing Orders, especially with reference to the recent Resolutions of the House of Commons.

The Bill, it will be remembered, is to authorize a second Company (the South Wales) to contribute to the Waterford Company, and to nominate half the directors. By applying in the names of the Waterford Company, instead of the South Wales Company, all these Standing Orders and Resolutions of June 1847, as to new subscription contracts, deposits, one-half of capital, a virtual amalgamation, and increase of capital, are avoided.

Second. The resolutions (as to suspended Bills) required also, in all cases, an inquiry into the subscription contract where increased capital was proposed. The Bill, as brought into the Commons, and before the Group of Sir Robert Peel's Committee, did not contain any clause to increase capital, though it did to subscribe to the Waterford Company; consequently it escaped that inquiry into the subscription contract and these other matters, which the shareholders ought to have investigated; and the Committee reported accordingly, 9th May, Supplement to Votes. But immediately after the Report was brought up, the Promoters gave notice of a clause (15th May) to be added, to increase their capital, and that clause was added (it is the 5th); thus avoiding all those inquiries and matters which would have been made if that clause had originally stood in the Bill, or if the Bill had been introduced in the name of the South Wales Company.

This appears so glaring, that it is hoped the Commissioners will take special notice of it.

Captain Harness,
&c. &c.

I have, &c.
(signed) *Charles Nash.*

(Draft.)

Office of Commissioners of Railways, Whitehall,
29 May 1848.

Sir,
I AM directed by the Commissioners of Railways to acknowledge the receipt of your letter of the 25th instant, in reference to the Waterford, Wexford, Wicklow and Dublin Railway Bill.

C. Nash, Esq.

I have, &c.
(signed) *H. D. Harness,*
Captain Royal Engineers.

(No. 1899.)

Sir,

52, Parliament-street, 19 June 1849.

I AM desired by a committee of numerous shareholders in "The Waterford, Wexford, Wicklow and Dublin Railway Co." to solicit your attention, or that of the proper officer in your department, to the Return (114) made on the 18th May to the Order of the House of Lords made on the 3d of May last: the Order was for a Return of the "Distribution of Shares amongst Members of the Legislature;" the Return made is of "the Allotments made." This difference in terms has had the effect of excluding from the Return the names of members who had shares subsequent to the "allotment," to the extent of 15,000 shares, and 11,200 as developed in the enclosed paper.

I would take leave to suggest, that by a Supplementary Paper, or in the forthcoming Returns, this discrepancy should be noticed, especially as it was a designed one, the distinction and the facts having been pointed out and commented upon before the Return was made.

Another discrepancy exists as to the "premiums" of the shares in the market; the Return states it at the very low sum of 5s., or one quarter per share; whereas if the premium returned had been taken at a later period of the year, and from Ireland instead of London, the premium would have been found to have been above one per share.

There is an inaccuracy in the Return to the House of Commons (731, Sept. 1848) as to this line, inasmuch as the date of 1846, instead of 1845, is affixed to the first call, and a third call of 10s. is stated to have been made in April 1846, whereas none such was then made, but a third call was made of 1*l.*, payable in April 1847.

I have, &c.

(signed) Chas. Nash.

Enclosure.

WATERFORD, W., W. and DUBLIN.

1. Return, May 1849 (114), shows allotments made 1846, July, and	4,447
paid up - - - - -	-
Allotments made - - - - -	170
And not paid up - - - - -	1,622
2. Subscription Contract, and Accounts and Return, show 1845, December; 1846, January, further shares issued to—	
Ponsonby, Duncannon - - - - -	500
Sir T. Esmond - - - - -	1,000
F. Rufford - - - - -	500
Sir G. De Becke - - - - -	150
portions of 15,801 shares then signed for and issued.	
3. Subscription Contracts lodged Session 1848, show further shares issued or registered for 1848, January—	
Sir T. Esmond - - - - -	1,000
Colonel Acton - - - - -	1,000
Earl Coontown - - - - -	1,500
Viscount Stelfox - - - - -	150
portions of 12,400 issued or subscribed for at that time, afterwards reduced to 11,200 shares.	
The total shares actually allotted in July 1845, } was only, as appears by the official returns - }	45,000 out of - - - 100,000 shares.
A further number were issued or subscribed for } in January 1846 and February 1846 - }	10,001 after the panic.
A further number issued or subscribed for in } December 1847 and January 1848, of - }	9,357 as part of - 12,500 shares. afterwards, only 11,200 shares.
Making a total issue of only - - - - -	72,958 shares.

The premium returned to Parliament is that of the lowest, and is taken from the London official list, at the earliest period.

Whereas

Whereas the premium gradually rose, and especially in the Dublin Exchange, where it attained between one and two per share.

On the London market it was officially quoted in October 1845, at one premium.

After November 1845, the shares fell to great discounts.

(No. 3952.)

Sir,

52, Parliament-street, 31 December 1840.

We are instructed by the committee of the "Waterford, W. W. and Dublin Railway Company," to lay before your Board the accompanying documents, as deserving the consideration and attention of your Board, and material to the consideration of any question on the Audit of Railway Accounts, or the amendment of the existing law, or any Parliamentary inquiry or interference.

We have, &c.

Captain Harness, R. E.,
&c. &c.

(signed) Lewis & Nash.

Enclosure 1, in (No. 3952.)

WATERFORD, WEXFORD, WICKLOW AND DUBLIN RAILWAY COMPANY,
(And connexion with the South Wales Railway Company.)

FURTHER REPORT OF THE COMMITTEE OF SHAREHOLDERS.

This committee, unanimously appointed at a general meeting of "shareholders," has been actuated by the single desire to benefit the general body—three-fourths of whom resist the "directors'" proceedings,—and have worked (without personal profit to themselves) on the faith of being supported by the whole of the independent shareholders. Personally, as alleged "shareholders," they were not desirous to shrink from any risk or liability which a fair administration of the Company's affairs might have entailed upon them; but, in common with the mass of their alleged "co-partners," they were not disposed to tamely submit to the consequence of inglorious mismanagement. Conscious, therefore, of the integrity of their motives, they are entitled to command the support of the shareholders, and to disregard any misrepresentation from the organs of the directors.

The present opposition has already led to the directors conceding a portion of what was asked: in a reduction of salaries, and an offer to reduce the shares, and the fine, but which can only be regarded as delusive.

This committee have also endeavoured to interest the other companies, and committees on the affairs of the South Wales and Great Western Lines, on this subject. And have since their last Report continued their anxious consideration to the position of this Company, and collected further information of great importance to the shareholders, and useful to the public interests in railway affairs.

Since the former Report of June last was made, (1st.) Actions have been brought by the alleged "directors" against alleged "shareholders," to recover "calls" in arrears.—(2d.) Proposals have been made by the "directors" to shorten the line and reduce the share capital, the applications for which they are making to Parliament, at an expense of 2,000*l.*, which might have been avoided.

The desire of this committee having been to promote a "dissolution," (as apparently the best termination to the Company, having regard to the proceedings of the directors,) or to adopt such other course as may mitigate the loss and liability of the shareholders, obtain a reform of the "Share Register," and a direction in which they may have confidence, they have submitted the following resolution to the directors,—Nov. 3, 1840:—

"That the engineer of the Company and the engineer of the committee be required to confer, and to report to the shareholders, as to the utility of carrying out a portion of the line between Dublin and Wicklow, with power to them to nominate a third, whose report, in case the other two differ, shall be the one recommended for adoption by both parties, and that if the report be in favour of any portion, then the 'associated committees' will urge its adoption. If the report be against the completion, then the Company to be amicably wound up, and in a mode to be agreed upon by the same persons."

This reasonable offer, as well as former suggestions for an amicable settlement or discussion with the directors, has received no reply; though made in the best spirit, it is still under consideration.

The adoption of any of the three courses open to the shareholders must tend to promote their general interests and a dissolution, namely,—(1.) To defend the actions for calls, and by proceedings compel an investigation of the directors' conduct.—(2.) To oppose the directors at the meetings—(3.) and in Parliament. There is a fourth, which can only be adopted in *extremis*, namely, to pay up the arrears, submitting so far to the directors, but then, by means of a majority of paid-up shares, to effect a change in the direction, and so promote the general wishes of the shareholders, or secure the winding-up of the Company.

The second and third courses entail only the contribution of very little time by the registered shareholders, and it must be manifest that the greater the amount of co-operation the greater the chances of success to the committee's labours and the objects in view.

I. With regard to the first, the *actiones for calls*, they have been, and will be, defended in terms of the "circular letter" of 9th June 1849, that is, a sufficient number must co-operate therein, to obtain one decision, which will benefit nearly 1,000 persons with 81,000*l.* of arrears. The committee has succeeded in measures whereby one action only has been allowed to proceed, and other proceedings for calls have been stayed in the mean time: thus, if a fair decision be obtained in one case, it will be a guide to all the "registered shareholders" at a trifling cost, provided they co-operate.

Pleas of fraud, and impeaching the legality of the Company, the validity of the share register, the right to register original allottees against their will, and the refusal to register the holders of scrip in 1846, whose property was confiscated, have been allowed by the judge, although twice opposed by counsel for the directors, and supported by Mr. Nash for the shareholders.

Under those pleas the various matters brought against the direction in the former reports will obtain full scrutiny. Investigation will be judicially made into the facts connected with the allotments in 1845 of above half the total shares to directors and their friends; the reservation of nearly 4-10ths, although announcements were put forth that all were allotted; the friendly signatures for thousands of shares in 1846 after the public; the transferring of thousands of shares on to the corporate funds of the "South Wales Company;" the using illegal shares and votes for the Parliamentary meetings of 1846; the borrowing of capital of other railways unknown to the shareholders; the lending of capital by this Company to other Companies, and the passing of the Act by these means. Then the attempts in 1846 of independent shareholders to dissolve this Company defeated, by refusal to register "holders" of scrip, and by the registration of (unwilling) "original allottees" who had sold their scrip; the buying up of their shares; the buying up (by officials of the three Companies) of scrip and shares; the buying off of votes and proxies from the opposition, and of transfers, on indemnities by directors and officials of the Company; the registration of shares colourably and improperly; the hiring of registered shareholders to attend and support the direction at the meetings of February 1847. All these circumstances, and the means whereby *bad fide* shareholders were overpowered, a majority for the continuance of the Company secured at the meetings, and the sealing a "register of shareholders," will be developed. As also the refusal of access to the "register;" the refusal of the names of shareholders and scripholders interested in those proceedings; the using of capital of the South Wales Company for shares in 1846, which accomplished the above purpose of over-powering the shareholders; the procuring in 1848 an Act for "future subscriptions," and the "permanent appointment of directors, by the South Wales Company," although no "future subscription" has ever been forthcoming. The "guarantees" agreed to be given by the Great Western Railway Company to the South Wales Company for their shares and interest, the expenditure of capital, and the other matters in this committee's former reports regarding the management of this Company, will be investigated.

These pleas, therefore, are most important, as opening up the whole "transactions" of the Company, yet the directors intimated an intention "not to proceed with that action, on account of the pleas, but to commence other actions against other shareholders" for calls; this committee cannot, however, believe that any substantial advantage will result to the directors from that course, but the reverse.

As a decision can be obtained which will affect 81,000 *l.* of arrears, owing by nearly 1,000 persons, the importance and advantage of this contest to each registered shareholder cannot be overrated. The committee and their advisers have throughout worked gratuitously to benefit the general body; they will continue to do so, but a "defence fund" is necessary, for no other purpose than to provide the expenditure and cash outlay of the committee therein, indemnify the defendants in the actions, and ensure a decision. Although a large number have already subscribed, and agreed to unite therein, the committee has not hitherto had occasion to use such funds, as it is their intention to act up to the terms of the circular of 9th June 1849, and to trust for the appreciation of their endeavours to the co-operation of the registered shareholders, under the ample protection which the circular offers to all contributors, and the advantages of a decision in the year 1851.

II. With reference to the "directors' proposal," it has been fully dissected by Mr. Nash, in its financial results, and his "report" appears completely to dispose of that attempt to prop up this Company, and legalize the proceedings of the directors which are in question. Although this committee have been refused all access to the books and documents of this Company, and to inspection of the agreements of this Company with the Kingstown Company, and with the South Wales Company (who control and most materially affect your interests), and all information, the directors are proceeding to Parliament to legalize that delusive "proposal."

By the "proposal" in question the directors require—(1.) That all the "arrears" (81,000*l.*) on 87,000 shares be paid up to make 3 *l.* each. (2.) That the 75,000, the total registered shares (which paid deposits in 1845), pay up to 10*l.* per share, in order to raise 420,370*l.*, besides stock and Kingstown contract, for a line to Wicklow, on which only 32,300*l.* had been spent.

The investigations reported by Mr. Nash show that above 30,000 of the 87,000 shares in arrears cannot pay; that all, or nearly all, the rest will not voluntarily pay, even if they can. In short, that the 75,000 are reduced (by transfers to passers, by agreements with the Company

Company and their agents, by poverty, absence, &c.) to less than 10,000 registered shares in solvent names (besides the South Wales Company's 11,300 conditional shares); also, that the directors of the three Companies and their friends do not hold, personally, 2,000 shares, although in 1843-6 they had taken (in shares and allotments) amongst themselves and their officials, connections and co-directors and friends, to the extent of above 60,000 shares; that the total who paid up original allotments from June 1843 to June 1848, was only 63,601 shares; that the total (including the South Wales Co.'s shares) reported as having paid the first deposit and so registered, was 75,186 shares in December 1848, and in 1849.

The particulars are so important that they are subjoined, and powerfully illustrate the management of Railways, and the system to which shareholders have been victims hitherto.

The S. W. Co. subscription was passed in 1843 as a "future one of 10,000 shares, to be guaranteed to them by the O. W. R. Co." But this Co. has had no accession of subscribers, and an investigation shows that the shares were "taken up" in 1846 for the purposes of the contest then existing. At the February 1849 meeting of the shareholders of the "South Wales Co.," Mr. Russell "admitted that the agreement with the South Wales Co. for the future subscription of a quarter of a million to our capital, provided that no more calls should be made on them unless the S. W.'s Co. showed the means of going to Wexford;" and in June 1849, the South Wales Co. certified to Parliament that "means had been taken to stop the works of the S. W.'s Co., and the further contribution of that Company to it;" yet, at the August 1849 meeting of this Company, a correspondence was reported by our directors with (themselves) the "Board" of the South Wales Company, "agreeing to the present proposal, subject to the assent of the South Wales and the G. W. R. proprietors." But at the subsequent "South Wales" meeting (August 1849), one of this committee brought the subject before the shareholders of that Co., whereupon the chairman interpreted him by the statement, that "the proposal had been laid before the G. W. R. 'Board,' and rejected by them, and, therefore, it fell to the ground," and homely declared his independent opinion to be against the scheme from the first; yet the directors of the S. Co.'s (for the same persons are directors and solicitors of all) have taken steps and are proceeding to Parliament to legalise their proceedings, and the proposal before-mentioned, notwithstanding their secret and illegal agreements: 2d. per share has been charged to the S. W. Co., although it was well known before the Act of 1848, that this Co. never could show the means of getting to Wexford.

This committee have also communicated with the committees appointed by the South Wales and Great Western shareholders, and urged these facts upon their decisions; they find it necessary to pursue it until it is properly investigated, uninfluenced as they are by any interest in the other Companies concerned, and conscious that there is sufficient integrity and honourable principle in Parliament and the press to ensure a just decision on the proceedings and motives of the directors of these Companies.

It is plain that the financial state of this Company will not carry out the "proposal," or accomplish one-half of it. It is also understood that the South Wales shareholders will object to do so, and that the Great Western shareholders will object also. Moreover, What is the first sought now to be made? It is along a sea shore, "with mountains on one side, sea on the other," serving a few fishing villages. If the whole population served (6,000) should travel every third day, they would only pay the "working expenses;" and the state of Irish lines in work (the Waterford and Limerick, for instance) may be referred to as instances of working results and the worth of Irish railways.

III. With reference to opposition at the meetings, and the Parliamentary proceedings, it is also essential that these facts should be developed, involving as they do important public principles, and that the shareholders should (by their presence or vote, no other sacrifice being required) support the committee, whilst "protesting against the legality of the directors' acts, and denying all liability."

IV. In the meantime, it is to the interest of every scrip and shareholder to communicate to this committee his sentiments hereon, and the particulars relating to his shares and scrip. Much benefit will accrue to him and the general body by so doing; in the absence of that co-operation the committee will conclude that each such shareholder will, himself, look to his own protection.

Under protest against the legality of the Co., its acts, and the acts of the "directors," and without prejudice to the alleged shareholders, and denying all liability—

By order of,

Capt. T. Warrington, Rev. D. Robinson, J. A. Gaillard, W. Yates Frendley, c. z., Chas. Nant (Hon. Sec.),	} Honorary Committee, Nov. 1849.
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42, Parliament-street, London, where Requisitions and Petitions will be for signature, without expense to the signers.

Appendix I.

Illustrative of Railway management by persons who are on the direction of several Companies, and as material for the consideration of the shareholders, the following Analysis of the Allotments and Disposal of Shares in the S.W.'s Co. is presented. It will be seen that whilst in 1844 the general public only obtained from 1 to 50 shares, the Directors and Officials and their connections obtained many hundreds each, though not holding 1-20th of them now.

The "actual Receipts of Deposits" on Shares up to June 1845, taken from the Directors' Returns, is (for 12 months) Shares
£. s. d. 10. 0. 0. 51,581

Or little more than one-half the number of shares.

The "Share Register" and "Directors' Accounts" (1844-5) show the total "Shares registered" and "Deposits paid" upon 75,500
Which include the bottomless or friendly subscribers in 1844, for - - - - - 14,115 shares
And for 9,375 (in 3-4ths of 12,000) afterwards treated in 1845 as - - - - - 11,200 " " or together, 25,315

REAL ALLOTMENTS in 1845 out of 100,000 Shares, only - - - - - 49,811

	Alotments, &c., 1844.	Signed in 1845 for Shares (A.)	Signed in 1845 for (B.)	Total Shares.
7 Provisional Committee, &c. of S.W.'s (also Directors of the G.W.R., South Wales, South Down, Bristol and Exeter, Oxford and Wel- verhampton, Birmingham and Oxford (3 of the Cork and Water- ford), and other Companies) - - - - -	1,442 (n. p. 316)	2 for 2,115	- - -	3,971
3 other Directors of G.W.R. Lines - - - - -	20 n. p. 273	- - -	- - -	325
1 Director of ditto - - - - -	- - -	- - -	- - -	- - -
12 Directors of South Wales Co. (Provisional Committee, &c. of S.W.'s in 1845), including 1 Cork and Waterford - - - - -	1,078 n. p. 274	2 for 1,800	1 for 750	4,802
2 Ditto took more - - - - -	- - -	- - -	- - -	- - -
4 Directors of So. Wales Co., and "Directors" of S.W.'s Co. (40-46) - - -	379 n. p. 275	4 for 3,500	1 for 1,000	5,378
2 Directors of South Wales and S.W.'s Co. - - - - -	- - -	- - -	- - -	- - -
2 South Devon Co. Directors, and Solicitor - - - - -	875 n. p. 276	- - -	- - -	875
2 Bristol and Exeter Directors, not P. C. of S.W.'s (20 n. p.) - - -	85 n. p. 277	- - -	- - -	85
2 Bristol and Exeter Directors and P. C. of S.W.'s Co. - - - - -	200 n. p. 278	- - -	- - -	200
2 Ditto and G.W.R. Directors, and P. C. of S.W.'s - - - - -	- - -	- - -	- - -	- - -
Mr. Rafford and 2 Officials, of "G.W. Warr and Wolverhampton" Solicitor of ditto - - - - -	80 n. p. 279	2,000	- - -	2,000
Director of "W. & S., and Weymouth," Auditor of S.W.'s (and his brother) - - - - -	100 n. p. 280	- - -	- - -	100
8 P. C. afterwards "Directors" of S.W.'s Co. - - - - -	6,820	8,115	2 for 1,780	17,006
24 P. C. of S.W.'s Co. (Local Landowners, &c.), including 2 more "Cork and Waterford" (120 n. p.) - - - - -	660 n. p. 281	1 for 500	2 for 2,500	3,602
11 Local "Provisional Committee" took - - - - -	3,603	1 for 50	2 for 1,500	5,383
3 more "Cork and Waterford Co." Directors - - - - -	1,040 n. p. 282	- - -	- - -	1,890
Connectants, &c. of Directors of S.W.'s Co. (known)—(330 n. p.) Ditto - - - - -	12,316 n. p. 283	10 for 6,663	7 for 4,750	27,731
11 Officials, Auditors, and Connections of So. Wales Directors (known) Ditto - - - - -	700 n. p. 284	2 for 650	- - -	1,460
Officials, Auditor, &c. of G.W.R. Co. - - - - -	10,938 n. p. 285	- - -	- - -	10,938
18 Officials, Solicitors, &c. of S.W.'s Co. - - - - -	1,000 n. p. 286	3 for 3,600	6 for 1,158	6,018
Ditto - - - - -	- - -	- - -	- - -	- - -
Shares - - - - -	28,928*	14,115	9,375 paying £. 10,750	52,423
These three Columns make to Directors and Officials - - - - -	- - -	- - -	- - -	- - -
ADD.—Officials to make up the (12,500 or) 11,200 shares to "S.W. Co." in 1845, of which only 9,375, included above, say to make the 11,200 shares - - - - -	- - -	- - -	1,825 11,200	1,825
To other Friends (names not recognised) of Directors and Officials of said Co., other Members of Parliament (not included above), Officers of Parliament, &c., some thousands, but say only To Members of the Press - - - - -	5,000 900	- - -	- - -	5,000 900

Thus making a Total to Directors, Officials, and known Connections of about 60,000 Shares.

To rest of Public (strangers) in allotments of 1 up to 50 shares—

So as to make up the "Total Allotments" in 1845 of 75,500 shares, or the shares "paid up" to June 1846, of only

(including above, column 1) - - - - - 63,601

Or to make up the Total Registered, Dec. 1846-5, as paying "Deposits," of only (including columns 1, 2 and 3) - - - - - 75,466

(The Names will be given in next Report.)

* Of the above 28,928, above 3,000 never paid upon their "Allotment Letters;" and the letters n. p. point out some of those who did "not pay," but were returned as "Defaulters" up to June 1846.

Enclosure 2, in (No. 3952).

SOUTH WALES RAILWAY COMPANY (and connection with Irish and Welsh Lines).

THIS committee feel called upon to advert to the affairs of the South Wales Company, inasmuch as the S. W. Co. is interwoven with the Waterford, Wexford, Wicklow and Dublin Company to the extent of a quarter million; and the fate of the S. W.'s Co. is dependant on the decision of the S. W. shareholders.

This committee having awakened the attention of the S. W. shareholders to their affairs in the autumn of 1848 and spring of 1849, by their "Reports," the appointment of a committee of S. W. shareholders followed in August 1849.

The main object of that committee seems to have been the guarantee of the Great Western Railway Company for the capital for the whole line to Fishguard, or a portion to Swansea, or the raising capital to carry out the line.

There appears in this case to be considerations involving the integrity of railway management of far higher importance than the mere pecuniary guarantee.

That committee had no access to the books of the Company. This committee has investigated them, and have to submit the following important matters to the shareholders:—

(I.) GUARANTEES.

The agreement for this guarantee "for the main line when completed to Fishguard" is so vague, and conditional on so many things to be hereafter arranged between the Companies, that it would be almost impossible to enforce a lease or guarantee against an unwilling lessee; and it becomes a question, whether the shareholders should not at once throw it over, and take the management of their line into independent hands.

The expenditure on works west of Swansea is estimated, up to 30th June 1849, at 156,000*l.*, besides the Llanelli and Tenby lines.

The guarantee for the "subscriptions to other lines" is also dependent on the completion of the main line.

(II.) SUBSCRIPTIONS AND LIABILITIES OF THE SOUTH WALES CO.—800,000*l.*

Although the only Irish and Welsh "subscriptions," sanctioned by Parliament, up to the end of 1848, are to the "S. W.'s Co.," and the "Vale of Neath Co.," which the shareholders of these Cos. and of the S. W. Co. had agreed to on the faith and conditions (1st) of the G. W. R. guarantee, and as a loan to them; and (2d), an additional one per cent. interest on calls of S. W. capital, which would ultimately fall on the G. W. R. Yet it will be seen that "subscriptions" to other lines have been paid, although not legalised by Parliament. Moreover, that those subscriptions and agreements have not been submitted to, or sanctioned by the shareholders of the respective Companies.

This expenditure of capital, though made in 1846-7, was not communicated to the shareholders in the printed accounts, or otherwise, until August 1848, and then only in a *heaped* sum, thus, "subscriptions to Irish and Welsh lines 61,340*l.*," which is now 83,384*l.* and upwards, besides interest and costs.

IRISH LINES.

(a) The WATERFORD, WEXFORD, WICKLOW AND DUBLIN Co. will serve as an ILLUSTRATION.

In June 1848 an Act was passed, promoted by the same persons, officials of the G. W. R., S. W. and S. W.'s Cos., for a future subscription by the S. W. Co. to the S. W.'s Co., "to assist it," for "not exceeding" 12,000 shares of 20*l.*, or 250,000*l.*

In August 1848 the S. W. Co.'s printed accounts includes, for the first time, "payments to Irish and Welsh lines," to the S. W.'s Co., 2*l.* per share on 11,200 shares (16,200*l.* and 5,000*l.*), 22,400*l.*

And the August 1849 account, exhibits further payment of 11,200*l.*

The private books of the S. W. Co. show that these 11,200 shares were paid for as far back as "Dec. 26, 1846," though not brought into the account as a payment till August 1848, but always appearing in the "balance" in hand.

No action for these shares had been given by the shareholders up to that time.

The directors admitted the "illegality of this very contribution" to the Railway Commissioners, in March 1847. (See their Report to Parliament).

The Act passed in August 1846 through misrepresentation, concealment of facts, and colourable majorities of shareholders, and unjustifiable means.

At the April 1847 meeting, the shareholders were asked to sanction a Bill for leave to subscribe to Irish and Welsh lines, on *faith and condition of*—1st. another "guarantee" and indemnity from the G. W. Co., of the principal and interest (i. e. "the same extent of guarantee as on the capital for the main line"); and 2d., an increased interest on their calls from 4 to 5 per cent.

Mr. Russell then said, "The utmost amount is 200,000*l.* to the two Irish lines, and that on a guarantee of the G. W. R. Co.,"—"it is in the nature of a loan to that Company."

The sanction given at that meeting was not acted upon by carrying a Bill through Parliament.

In April 1847, a further sum is entered in the South Wales books as then paid to the S. W.'s Co. of 5,000*l.*

That does not appear in the half-yearly printed accounts submitted to the shareholders, until August 1848.

In May 1848, the S. W. shareholders were asked to sanction two Bills, one for a "subscription" to Vale of Neath, the other to 3 W's Co., both purporting to be for "future" subscriptions, but refused to do so on the opposition of Mr. C. Morris. The directors, however, procured a sanction of the Bills on the pledge and condition, incorporated in the resolution, "that the G. W. R. Co. were to guarantee the S. W. Co. the principal and interest." Access to that resolution has been refused, but this committee put it in evidence before Lord Shaftesbury, Session 1848.

The Bills were prosecuted through Parliament (by the gentlemen who were directors and officials of the G. W. R., S. Wales, and 3 W's Co.) without any condition; a separate Bill, to "increase the interest on calls," payable by the G. W. R. Co., was rejected after hearing one witness (Mr. C. Russell) upon it. Nevertheless, the other Bills were prosecuted and carried in June 1848, but not including or legalising the "conditions," or the "guarantee," or the agreements between the two Boards.

Throughout 1847-8 these subscriptions have been repeatedly represented and treated as "future subscriptions, to assist and keep alive the Irish and Welsh Cos.," yet the Irish Cos. funds show no addition up to this day to the number of subscribers which it had registered on the 21st December 1846, nor any subsequent receipt of the above 16,800 £., included in the August 1848 accounts.

It appears from Reports of this committee on the 3 W's Co. that only 49,811 shares, out of 100,000 (the total in that Co.) were allotted, and that the directors and officials of the three Companies referred to had above 29,000. That they afterwards signed for 14,113 and 11,300 shares, making up the 75,000 shares the total subscribers for.

That after the panic of 1845, and down to the aforesaid December 1846, many thousands of shares were still in the hands and names of persons who were then directors, &c. of the 3 W's, the S. Wales, and the G. W. R. Companies.

In 1846, the *bona fide* shareholders of the 3 W's repeatedly urged, and afterwards combined for a dissolution; the directors resisted it; the question was to be decided at their first ordinary meeting, on 21st December 1846; the opposition were in a majority; the directors, finding defeat certain, induced them to adjourn that meeting for two months.

The entry of date of 26 Dec. shows that the South Wales Co. paid for 11,300 shares in the 3 W's Co., at par, shares having for months been sold in the market for FIVE SHILLINGS each.

Other shares were bought up to a large extent by officials of the three companies; purchasers of scrip were refused registration, and original allottees registered against their will, to the extent of nearly 29,000 shares; transfers taken from the original allottees; and other iniquitous acts resorted to, to defeat the opposition. Officials of these Companies, and others, were registered and actually hired to attend the meetings and support the directors.

Notwithstanding these means, the directors only carried the existence of the 3 W's Co. by a majority of 1,620 votes, the funds of the S. W. Co. deciding the prolongation of the 3 W's Co. against the wishes of the general body.

In February 1849, Mr. Russell announced that the S. W. Board had an agreement with the 3 W's Board, that "no more calls should be made on the S. W. Co. shares, unless and until the 3 W's showed the means of going to Wexford."

It was well known before then, before the Bill of 1848 (June) passed, authorizing the expenditure of S. W. capital in this subscription, that the 3 W's Co. could never get half way to Wexford, and that was admitted by both Boards, June 1849.

These facts were withheld from Parliament and the shareholders.

Yet in June 1849, the Board of the 3 W's proposed to (themselves as) the Board of the S. W. Co. to shorten the line to Wicklow, which cannot be of any use to the S. W. line, and to reduce the shares. Thus, also, seeking to legalise and make absolute the liability of the S. W. Co. for the 11,300 (or more) shares, and destroy all the conditions on which they were taken.

That proposal was "accorded to by the S. W. Board," and a bill is prosecuting to legalise it.

The S. W. directors make no announcement in their August (1849) Report, beyond a bare statement of the proposal. But this committee obtained from the chairman of the S. W. Co. at the August meeting, an admission that "the G. W. R. Co. will not, as guarantee, adopt the proposal." Yet directors of the 3 W's and S. Wales Companies, who are upon the G. W. R. Board, are prosecuting it.

This committee have, in their Reports, demonstrated that the proposal is *defensive*, and cannot be carried out to half its extent; it requires ALL the ARREARS, and all the original registered holders of 75,000 shares to pay up and co-operate, whereas 3-4ths of them are gone, and cannot do so; that the burden of carrying out the proposal will rest on the S. Wales Co., and about the same No. of shares in other hands; that the line will be *profitless*, if made.

OTHER SUBSCRIPTIONS.

Specifying those without and those in excess of legal authority, to lines which the same directors of the three Companies were connected.

1. CORK and WATERFORD Co.—4,000 shares; paid 6,000 £.; liability for 80,000 £.

This stands on same footing and under the same regulations as the 3 W's Co. No Act of Parliament obtained. Subscriptions paid in 1846 (January), before this Co. was incorporated.

In 1847 power asked, and Bill sanctioned for a future subscription, but not passed. The printed accounts do not exhibit this "payment" till August 1848, except in the "balance in hand."

e. TINDY and SANDERSCROFT Co.—500 shares; paid 1,650*l.*; liability for 10,000*l.*

Payments made in February and April 1846. Power taken afterwards to "purchase on lease," but not to subscribe for shares.

Payments not disclosed in printed accounts till August 1848.

This line is west of Swansea.

"The subscriptions to the C. and W.'s and the T. and S. were conditional on their obtaining the authority of Parliament for them. Means have been taken to suspend the works on a. b. c., so as to relieve the S. W. Co. from any future payment."—(S. W. Co. Return, June 1849.)

VALE OF NEATH Co.—8,389 shares; paid 36,334*l.*; liability for 127,780*l.*

In 1847, February and April, the S. W. directors paid on 6,389 shares. This payment not disclosed to the shareholders in the printed accounts.

In April a Bill for a future subscription was approved "to extent of 125,000*l.*," but not passed.

In 1848, February, at S. W. meeting, Mr. Russell said—"We cannot tell the amount yet, we shall ask you to subscribe."

At the May S. W. meeting, to sanction a Subscription Bill for 6,389 shares, the conditions were attached as before stated; that Bill passed, empowering the S. W. Co. to "subscribe;" in future no conditions attached.

LYNVI VALLEY Co.—8,150 shares; paid 6,300*l.*; liability for 63,000*l.*

In 1846, January, the S. W. directors paid 2*l.* per share, or 6,300*l.*

"In June, power to sell or lease to S. W. Co. (not subscribe) was granted by the shareholders, and an agreement to purchase a portion of the line was made between the two Boards.

Afterwards power to purchase the "Duffryn" Line for 50,000*l.*, in shares, was taken. There seems no power "to subscribe."

SWANSEA VALLEY R'WAY Co.—Capital 250,000*l.*; "no shares created;" portion of line already exists.

Expenses in obtaining Act of Incorporation paid by S. W. Co., 1,367*l.* 2*s.* 6*d.* and 8,000*l.*

A sum was invested by S. W. Co. for purchase of Swansea Vale Line (part), 37,500*l.* That appears in one of the earlier accounts, but is left out of the last half-year's printed account.

In 1847, April, an agreement to purchase, and Bill approved (for the whole), 227,000*l.*

LLANEELY RAILWAY and DOCK Co.

LLYNVI VALLEY EXTENSION Co.

GLOSTER and DEAN FOREST—4,000 shares paid 10,000*l.*, &c.; liability 110,000*l.*

The purchase to be 90,000*l.* and 20,000*l.*

Bill to purchase for 100,000*l.* sanctioned by shareholders in 1847.

S. W. Co. became owners of part of line, to make it, in lieu of paying calls. Query, any authority to take shares?

GLOSTER DOCK—Bill passed 1848; Capital 24,000*l.*

SEVERN and WYE Co.—Expenses paid by S. W. Co. 15,000*l.*

And to pay 2,000*l.*

In 1847, Bill passed to lease or purchase, and pay the 17,000*l.*

. These involve a liability for about 900,000*l.* for lines ultra the main lines.

OTHER "TRANSACTIONS" WITH CAPITAL OF S. W. Co.'s DIRECTORS.

In 1845, Capital was lent on bills of exchange to extent of 17,715*l.*

In 1846, a loan of Capital was made to R. F. Gower, director of G. W. R., S. W., 3 W.'s Co., &c., who reduced it by gradual payments.

In 1846, loan transactions with Glyn, Mills (director of all these Companies) & Co., and through them with , of 105,000*l.*, at 2 and 2½ per cent. only, till December 1848, the shareholders being oppressed with calls to make these loans, and paying 5 per cent. to the Company, money being worth in the market 7 to 12 per cent. during part of this time.

In 1846, a loan transaction with the Vale of Neath Company, for 25,000*l.*

In 1847, January, loan from that Company to this Company, at 4 per cent., for days, this Company having their capital out on loan at 2 per cent., and the shareholders oppressed with calls.

In 1846, April, loans to G. W. R. Co., 30,000*l.*, "per resolution of Finance Committee."

In 1847, January, further loan of 50,000*l.*; and, in February, further loan of 40,000*l.*

In 1847, Midsummer, a balance was due from G. W. R. to S. W. Co. of 36,175 l.

This is represented in accounts as if "balance" in hand.

In 1847, July, a further loan of 70,000 l.; and, in August, further loan of 50,000 l.

Making these outstanding on secret and illegal loans to that Company, 156,175 l. 6s. 10d., of which no information was given in the printed accounts.

Calls were actually made on shareholders to make these loans at times of great depression.

In 1848, Midst., G. W. R. is debited with 4,650 l. 17s. 6d. as "interest on loans and deferred portions of calls."

In 1848, Decr., interest on calls in arrears from June to December, 1,771 l. 19s. 9d. is debited to G. W. R. Co.

In 1847, Mr. Crosthwaite, of Liverpool (G. W. R.), had loans of this Co.'s capital; and in 1847, March, he is debited with 16,000 l., for which (he says) he "deposited ample security, namely, G. W. R. shares." Paid off March 1848.

In 1849, Feb. 7, the Christmas accounts submitted show the balance of loans and interests as if "balance" in hand, and so throughout the accounts circulated.

BALANCE SHEETS AND ACCOUNTS.

Except as specified, these "transactions," with the capital, in Cons. with which the directors were connected, do not appear in the printed accounts, so that the shareholders and the public were in ignorance of the application of their capital; and the balances every half-year, actually including, as monies in hand, the sums thus illegally and secretly disbursed and lent.

That could not have existed under a proper and independent management or auditorship.

The auditors were men deeply connected with the Great Western and these schemes, or some of them.

Mr. Gower, a relative and partner of Mr. Gower, director of the G. W. R., S. Wales, 3 W.'s, and other G. W. R. schemes, was appointed auditor in 1846. And Mr. A. Paul, of Leadenhall-street, a relation of the director of the S. Wales, G. W. R., 3 W.'s, and other Irish and Welsh schemes, was appointed auditor in 1846.

Mr. Thurburn, of Egypt, appointed auditor in February 1849, was a correspondent of Gower & Co., and through them got shares in many railways, including the 3 W.'s Co.

The "BALANCE" IN HAND ON LAST half-year's printed accounts (August 1849) is alleged as	£.	s.	d.
But it is thus made up and invested,			
Actual cash in hand at bankers, &c.	£. 24,018	12	1
Trustees for purchase of "Swansea Vale Company"	37,300	-	-
Outstanding accounts against G. W. R. Co.			
Interest Account	6,598	4	-
Outstanding accounts against G. W. R. Co.			
General Account (loans and calls)	1,261	-	-
Outstanding accounts, Vale of Nenth Co.	1,240	-	-
Outstanding accounts, Oxford, Worcester and Wolverhampton Co. (def.)	11	-	-
Other Funds—private cash, &c.	236	9	11
In hand of Land Valuers, Resident Engineer, &c.	337	3	7
	£. 91,192	9	7

EXPENDITURE, &c.

A large sum has been paid in contributions to the expenses of other Companies, such as the "Hereford, Worcester and Gloucester Co.," the "Welsh Midland Co.," the "Great Eastern and Western Co.," the "Port Dynlloes Line," &c. Rent of Offices, 449, Strand, 350 l.; secretary's defalcation, &c.; cancellation of contracts for rails, 20,000 l., &c. &c.

RÉSUMÉ.

When the financial situation of the G. W. R.—the difficulties in the way of perfecting the guarantee, the probable future liability of the G. W. R. to fulfil them, together with the past management of this Co.—are considered, it becomes a question with the independent S. Wales shareholders, whether they should not abandon the guarantee—look to an entire change of management—economical making, and more beneficial working—by a better union with the Northern Lines secure an identity of interest—opening up new channels of traffic and the retail trade of England for the mineral products of the Western and Welsh Lines, so long desired, by means of a uniform gauge. Considering also that several of the mineral lines in Wales are on the national gauge, and that the Railway Commissioners, in 1846, expressed that they were "aware of strong arguments in favour of requiring the S. Wales Line to be on the narrow gauge; but that for the purpose of a second competing route to Ireland, it would be advisable that it should be on the exceptional gauge." Those reasons no longer exist, and the importance of a thorough and uninterrupted communication with the North must be apparent.

Submitted

Submitted by Messieurs Captain Warrington, Rev. D. Robinson, W. G. Freshford, C. E., and J. Gallini, the Committee of Shareholders on the 3 W.'s Co.

32, Parliament-street, 1848, Dec.

By order,

Charles Nash, H. Sec.

Enclosure 3, in (No. 3952).

WATERFORD, WEXFORD, WICKLOW AND DUBLIN RAILWAY, in connexion with the SOUTH WALES RAILWAY.

REVISED REPLY to the DIRECTORS' REPORT.

REGISTERED SHAREHOLDERS,

I wish the subject were in better hands, but my attention to it for many months, originating the present movement, may excuse me for thus addressing you.

At your February (1849) meeting, your directors refused to face you, though in an adjoining room, with penicils sufficient to make a meeting. They withheld their report, and threatened you with the police, in a room for which you pay 500 l. a-year rent. The resignations of directors, including Mr. Cresswaite, who had large loans of S. W. R. capital, is conceded.

At your August (1849) meeting, they suddenly presented a Report affecting the whole constitution of the Company, without a word of explanation, sought to thrust it arbitrarily upon you, two dozen persons, holding 600 shares, voting (pro and con.) upon it, out of a constituency of 1,200 persons, holding 75,000 votes. In spite of remonstrance, it was, by a minority of persons, but with votes made up of officials of the Company, illegally forced upon you, your chairman refusing to put other amendments, and having even proposed himself as judge in his own case as scrutineer. Access to the books or register, or explanations of the transactions or accounts of the Company being also refused.

That Report is before you. Do the directors speculate rightly on your credulity, your cowardice, or your indifference to moral rectitude, and your ultimate interest? Your vote at the next meeting will decide its fate.

They now, after eighteen months' resistance to our suggestions [to dissolve, or at least, shorten the line to six miles, and reduce the shares to 5 l. each, with integrity of management], feel driven to concede to our opposition but to a limited extent, and so as to confer no real benefit upon you; yet they force their own details upon you without observing the main course of governing bodies, which has been to resign, when their policy has been defeated, and they submit to that of their opponents. However, what is your condition and prospects?

This line was originally projected as a Broad Gauge rival to the "Cluster and Holyhead," for the traffic between London and Dublin; the management being in Great Western and South Wales Railway Directors, it was stifled in its birth by jolting, which "allotted" only 40,000 shares out of 100,000, and in such a manner as to eclipse all known instances of jolting on record, and included above 38,865 and 14,173 and afterwards 11,200 to the officials, &c., of the three Companies. (See *Railway Record*, January 1849, and reports in *Money Market Examiner*.)

The "Proposition" now is, to make 23½ miles out of the 160; that is, to go (Dublin via Kingstown (six miles) at a cost of 7,250 l. and 36,000 l., and a rental of 34,000 l.) Kingstown to Bray (eight miles), at a cost of 171,000 l.; to Bray Head (three miles), cost 29,000 l.; and Wicklow (12½ miles), for 41,000 l.; i. e., to make 23½ miles of new line, at an "estimated" total cost, including stations (and excluding stock), of 420,270 l.; therefore, "requiring now at least 354,740 l. (say, rather, 400,000 l.) more capital for works, independent of the expenses of the Company, and stock, and the Kingstown lease."

The directors propose to make the "capital" 500,000 l., by reducing the shares to 50,000 of 10 l. each. The realisation of their "delusion" is built on the 75,186 shares (paid upon in 1845), and on the present Share Register, which is thus divided by the directors:—

- (a) 18,137 shares (11,200 for South Wales, and 7,000 others), who have paid all calls (3 l.)
- (b) 7,944 shares who have paid the first call and deposit (2 l.)—Arrears, 7,944 l.
- (c) 49,165 shares who paid deposit only of 80 s. in 1845.—Arrears, 73,657 l. 10 s. 6 d.

Making, 75,186 total shares "subscribed" in 1845-6,—and registered, 1845-9—out of 100,000 of 10 l. each

The directors hold out that the 7,944 and 49,165 will pay up to 3 l. per share on their present shares, and then, with the 18,137, come in and exchange their 20 l. shares for 10 l. shares (three old for two new), go on with the Company, and pay up 5 l. 10 s. more on each. The only deduction from the 75,186, in the directors' calculation, is for insolvents. So that, substantially, it would be necessary to realise the whole arrears, and new shares.

If b. and c. pay up their arrears of 7,944 l. and 73,657 l. 10 s., then the 75,186 shares will be all on a par—to exchange for the 50,000 shares—to pay the remaining 5 l. 10 s. each, or 275,000 l. more capital, and thus produce in all 354,601 l. of total capital, or just above the directors' estimate for the line, without the rolling stock, &c. It would be necessary, therefore,

therefore, to realise the whole of these shares—(either by present holders paying up, or by consenting defaulters' shares, and find persons to take them) pay up arrears, and willing to go on paying at least 5 £ 10 s. more per share, and all for a line to Wicklow (or Bray), and to pay the Kingstown Company double its present dividend.

1. Now the *bolshie*, the *defensive* character of this "proposal" can be summed in a paragraph:—eight-tenths of those 75,000 shares are gone; your "Register" does not contain 20,000 shares in the hands of *bona fide*, responsible, or willing holders: when paid up 10 £ each, your shares will not be worth 10 s.—the "proposal" cannot be half carried out.

You see that one-fourth of your 100,000 shares were never taken up; and there are 50,000 out of the 75,000 (or two-thirds) in *arrear* since 1846, without an attempt to enforce their disputed liability. Even those of a. and b. who did pay the calls, did so, in many cases, in order to transfer to paupers. You dwindled down from 100,000 to 75,186; then to 26,000 (a, b), paying first call; then to 18,000 (a) paying the second. Those include the 11,200 of the South Wales Company, who hold secret agreements with your directors not to pay more calls, unless in certain events. Of the 7,000 shares (part of the 18,137 paid up by 160 persons), 5,000, held by 71 persons, have been transferred lately.

What becomes of the "calculations" based on such foundations. Is it anything more than a *swackery*, a *defensive* and a *mere*, to prevent your making any effort to break up a Company, which exists only for the benefit of officials and landowners. Moreover, those 75,186 had no existence as *real* or *bona fide* subscribers. It is true 75,000 paid the first deposit; but how? Only 40,000 were allotted and paid up when the panic happened in 1846; after that, 11,200 were *swiddled* (by some means) on the "South Wales Railway Company," at 5 s., making 60,000 shares only, 14,000 friendly signatures and deposits were added colourably, with some others, to make up your registered 75,186 of 1846-0.

Therefore, in any calculations, the following deductions must be made from those 75,186 shares, originally held by 1,800 persons:—

- | | | |
|---|-------|--------|
| 1. The "friendly" signatures for (1846-0) - - - - | above | 14,000 |
| 2. Shares (17,500) refused registration in December 1846, by the directors, and original allottees, registered <i>hostilely</i> , to the extent of - - - - | above | 20,000 |
| That step was too doubtful and unjustifiable to admit of your seeking any capital on those shares. | | |
| 3. The shares bought up by your officials, to overpower the meetings: 1846-7, besides the votes silenced under the Boswell, Perry, Boyce, Harvey, Reynolds, oppositions, &c. &c. - - - - | above | 7,500 |
| These items may account for the sudden reduction from 75,000 "deposits" to 26,000 shares paying the first call? Assume 11,200 of these to have been fired on the South Wales Company. | | |
| 4. Those who transferred to paupers, &c., after the first call, say 170 persons holding shares - - - - | above | 3,300 |
| 5. Those who transferred to paupers, &c., after paying the last call, say 80 persons for shares - - - - | above | 6,400 |
| 6. "Gone away," &c., 212 persons, and 40 of new men (known) [mostly in arrears also] - - - - | above | 3,000 |
| 7. Known insolvents, poor, &c. (62), [in arrears] - - - - | say | 7,000 |
| 8. Further shares not included in above:—held in Dublin, 2,750 shares, by 180 persons; in Clonmel, 1,000, by 44 persons; Cork, 1,000, by 32 persons; Waterford, 1,000, by 32 persons; Wexford, 420, by 24 persons; Wicklow, 365, by 18 persons; Limerick, 485, by 12 persons; Ireland, 418, by 14 persons. Of these, not 1-20th will or can pay—say a loss of 7,400 out of 7,400 shares [in arrears of calls] - - - - | | |
| 9. Deduct those in England who cannot pay, &c.—unknown - - - - | | |
| 10. In the above are included about 20,000 shares, silenced under the Perry, Boyce, Reynolds and Harvey oppositions, some of which are still on the register, and liable to pay - - - - | | |

Have you left 10,000 *bona fide* shares? It is true you say, after long litigation, realise something more from Nos. 2, 6 and 10, and may have yet the South Wales 11,200 shares; but that is doubtful. Where, then, are the 75,000—aye, or a quarter of that number, who are to be victims of this delusion?

Above 7,000 of those on the "register" have already expressed in favour of a dissolution; so that you stand in a majority, if you choose to exercise your power, treating the calls and register as illegal. The directors cannot command 2,000 *bona fide* votes.

II. What is your prospect of getting even to Bray? And what will it be worth if you do? You have been four years at work; spent 100,000 £, of which only 40,000 £ is on "works;" perforating two rocks (one at Killybeg Head and one at Bray Head), and, instead of "six miles in hand," not made one mile of railway. To get from Kingstown to Bray (eight miles), requires the sums of 171,000 £, and (for stock, stations, and permanent way) above 100,000 £, which make 5 £ 10 s. more per share on 50,000 shares. Suppose the line can be made for the estimate (rare event in Broad Gauge annals), it will be K. to Bray Head (11 miles).

(11 miles), 240,000 *l.*, and stations, &c., 100,000 *l.* (or 31,000 *l.* per mile), besides stock, &c. Moreover, you have to encounter a claim by the scrip-holders for the portion of their deposit, most unjustifiably confiscated to the extent of 25,000 *l.*, and to make a dock at Bray, &c.

III. What can be the ability of going to Wicklow, unless to please the landowners and officials? The traffic (hams and lambs) with that starving and decaying district Wicklow, scarcely maintains a conveyance on the road. Yet you are to go through rocks, to fishing villages, between the mountains and the sea. The London, Welsh, Waterford, Wexford and Dublin traffic is gone, and yet you are asked to sink 420,000 *l.* on the Wicklow mountains and landlords, a pretext for keeping up an expensive staff and establishment in London and Ireland.* Even the line made half-way from Dublin to Wexford, old Carlow, will not go farther, though the stream of traffic is inland.

IV. If you go to "Wicklow," you have to take the *Kingstown and Dalkey* lines. Already you have paid that Company 7,250 *l.* for "expenses;" you are to alter their gauge for eight miles, take their rolling stock, &c. (cost 40,000 *l.*), and pay them 34,000 *l.* a-year, and half your gross receipts of their line, above 55,000 *l.* a-year; and we know not what else, for the agreement is concealed. The traffic of that line is 1,000 *l.* a-week; the working expenses, about 65 per cent.; so that you have left 340 *l.* a-week, or say 18,000 *l.* a-year, to meet your rental of 34,000 *l.*, &c. &c. The *Kingstown Company*, to preserve their *own line* as an entrance into Dublin, got an Act to go to Bray, and might be induced to buy your powers and works.

Ponder well over these hints, and then take the *South Wales Company's* subscription as an illustration of the "integrity" of your "management," in which the same men direct the different Companies.

V. In 1845, we were amazed with "a lease of our line to our allies, the Great Western and the South Wales Companies;" in 1846, with their taking "half a million of our capital" (25,000 shares). In 1847-8, that was brought down to 12,500, and we were told that though shares could be had, and were offered to them, for 5*l.* yet, "to assist us, they would take them at par," and had actually paid us deposits of 2*l.* on them. Each statement, "answered its purpose;" but what is the fact? That this pretended "subscription" was, in May 1848, sanctioned by the South Wales shareholders, on condition of an indemnity of the Great Western Railway Company, for principal and interest; but not yet legalised, if given. We never got any additional subscribers to those we had in 1843-6; so that if they were paid at all, it was at that time, and only on 11,300 shares; yet, on the faith of 12,500, that Company nominates a majority of your Board. Moreover, there were secret understandings, "guaranteeing that Company from future subscriptions to this, unless we shared them that we could go to Wexford" (an inability well known when the Act was applied for). These were admitted by Mr. C. Russell, at the public meeting of February 1843; and on the faith of them the South Wales shareholders did not oppose "the last" 1*l.* a share on 11,300, as a "last payment." In June, that statement was repeated by the South Wales ex-secretary.

In August (1849 report) we are told that another secret understanding is to be come to between the two Boards (*the same men being on each*), by means of a letter from its secretary, who is now invisible, for making the South Wales Company of an absolute subscription to our line, for the 11,300 shares, and that the S. W. Board approve of the proposal of the S. W.'s Board; but the G. W. R., as guarantors, refuse it; yet this Company intends to proceed to Parliament to legalise this "proposal."

VI. Look into your internal management—1,000 *l.* a-year to directors; 3,000 *l.* a-year to secretary, voted and retained in opposition to wishes of shareholders; 500 *l.* a-year rent for the establishment, 449 Strand; 150 *l.* a-year rent of secretary's mansion, &c., at Kingstown; 30 *l.* for Sir T. Esmonde's yearly travelling expenses to England, in the season; 700 *l.* a-year to resident engineers; 500 *l.* a-year to London Engineers; besides London and Dublin lawyers and officers.

VII. Their alleged "balance in hand," for years, have been fictitious. The greater part have been on secret and illegal loans to others, especially to the Great Western Railway Company, who still hold your capital, unknown to you, and at times when you were oppressed with calls, as detailed in former Report.

These are some of the acts which you tolerate, and which they ask to legalise and sanction. Your works and Act of Parliament must be worth something to sell. The general feeling is to wind-up; but if you go on, what will be the result, with proceedings unparalleled in the history of railway enormities, with an expensive staff, dilatory law suits, parliamentary contests, to decide on this second delusion.

If the present opponents stop in their opposition for want of sufficient support, then "no quarter" would be shown; original allottees, directors' friends, and all others will be made to pay up, or fight single-handed. Finally, what will be the worth of the scheme, when all the capital is paid up? The shares will be worth as many shillings as there will be pounds paid. Do not calculate on lying by and benefitting without working. Whilst "protesting against the calls, the share register, the S. W. subscription, the board of directors, &c., as being,

* Skirting Wicklow county sea-shore, you are to serve the following important towns and populations:—Bray, 3,349; Dalguise, 201; Killybegny, 179; Enniscorthy, 443; Kilsall, 225; Down, 172; Newcastle, 100; Newtown-M'Kenady, 323; Ballinacola, 226; Rathore, 118; Wicklow, 2,771.

being, like the Act of Parliament, void," and doing nothing to admit or adopt them, or any liability, you can, by union, without risk or liability, ensure a certain victory; the power is in your own hands. You are a numerical majority, if you choose to exercise it, and, at least, secure the management of your own affairs. 1st., By the South Wales Company refusing to go on with this Company; 2d., Amicably, by the directors manfully promoting a dissolution, and meeting you to discuss; or, 3d., Hostilely, to enforce a dissolution and investigation, concentrate shares and votes, obtain a majority, and, by requisition and meetings, direct the management, &c. Those require no liability or outlay. 4th, Stop all actions for calls, as the committee have, until one be decided; and write to try that out, at a trifling contribution. Strengthen those who resist the directors' acts, and seek for relief at law and in Parliament.

Charles Nash.

1849, 53, Parliament-street, where petitions and requisitions lie for signature.

Submitted by the Shareholders' Committee, to the shareholders, under protest, and denying all liability.

Office of Commissioners of Railways, Whitehall,

26 December 1849.

Gentlemen,

I HAVE been directed by the Commissioners of Railways to acknowledge the receipt of your letter of the 24th instant, &c. &c.

I have, &c.

(signed) G. Godolphin Osborne,

Ass. Sec.

Messrs. Lewis & Nash.

(No. 28.)

Sir,

52, Parliament-street, 3 January 1850.

WE have, on behalf of the Committee and a numerous body of shareholders in the Waterford, Wexford, Wicklow and Dublin Railway Company, to draw the attention of the Commissioners of Railways to two Bills introduced into Parliament, in the name of the Dundrum Railway Company, empowering that Company to proceed with their line, and revising their powers, and also enabling them to amalgamate with, or purchase the Waterford, Wexford, Wicklow and Dublin Railway Company.

And another Bill has been introduced by the Board of the Waterford, &c. Railway Company, to authorize them to stop their line at Wicklow, and not to call up more than 10*l.* per share, without the sanction of a majority of a general meeting of shareholders for such purpose.

The important nature of these Bills, the state of each Company, as already laid before the Commissioners by shareholders and landowners, the notorious delinquencies in each, are so great and patent, that the shareholders and others interested in the Waterford, &c. Company, whom we represent, are anxious to have the subject and the affairs of both Companies considered by the Commissioners, and the Bills in question drawn to the attention of Parliament by the Commissioners.

We have also to enclose Reports of the Committee as to the Waterford, &c. Company, which will demonstrate the further frauds and impositions sought to be imposed on the Legislature by means of these Bills, and which can only be efficiently brought to its attention by the Commissioners.

We have, &c.

(signed) Lewis & Nash.

Captain Harness, a. n.
Secretary, &c. &c.

Enclosure

Enclosure 1, in (No. 28.)

WATERFORD, WEXFORD, WICKLOW, AND DUBLIN RAILWAY, in connection with the
GREAT WESTERN AND SOUTH WALES COMPANIES.

ABSTRACT REPORT OF THE SECOND COMMITTEE OF INVESTIGATION, &c., appointed at the General Meeting, 24th February 1849, in connection with the Investigation Committee appointed at the Special Meeting, May 1848, whose Report was read at the August, 1848, Meeting, by Mr. Nash.

1. Attention is solicited to the extraordinary course taken by the directors and secretary at their last half-yearly meeting (24th February 1849), in not meeting the shareholders, and in suppressing their report, printed copies of which had been sent to, and were on that day in Ireland, yet were withheld from the London applicants during the ten succeeding days. The shareholders may not be aware that at the half-yearly meetings they are entitled to peruse certain steps, explanations and inspections; and the directors knew that those steps would be pursued respecting the lending the capital of this Company, the South Wales Company's subscription, the Great Western guarantee, the legality of the calls, the shareholders' register, the rights of the scrip-holders, the excessive expenses, the conduct of the directors, &c. &c.

Looking to the real state of the affairs of this Company, it was, of course, expedient for the directors, who are, unfortunately, directors of the other Companies, to avoid those subjects on the eve of the South Wales meeting; they were in the building; our secretary had obtained and held proxies enough to constitute a full meeting; they kept back several shareholders, and refused to face those who remained.

SHARE JOBBING.

2. This line was projected in 1845, by the directors of the South Wales, Great Western, and some Irish Companies and Irish landowners. The capital was to be 100,000 shares, of 20*l.* each, making two millions; deposit 30*s.*, or 150,000*l.* Some of the managers, provisional committee, directors, allotment committee, &c., were the same persons as on the South Wales, Great Western, and South Devon Companies, and they made the allotments of shares, five months before the panic, as follows (in round numbers):—

- 8,000 to themselves—directors of the three connected Companies.
- 3,000 to their co-directors and officials.
- 10,000 (above) to persons known to be friends of directors of the three Companies.
- 5,720 to secretaries and officials of the G. W. R. Company (besides 4,300 to directors).
- 5,430 to solicitors and agents of the three Companies, and their clerks.
- 3,800 to members of Parliament, &c. (besides 4,300 to M.P.'s, included above as directors).
- 900 to members of the press, under G. W. R. influence.
- 38,850 (above), being two-thirds of the real allotments, not bond *file* issued to the public; 8,070 of these were not taken up by the original "allottees," most of the defaulters being the provisional committee, the G. W. R. and South Wales party.
- 9,000 (less than), being one-eleventh only of the total shares, were issued to the public (including more friends of the directors), making—
- 47,850 really issued and allotted, June 1845, out of 100,000 shares; or less than half, and an admitted reserve of above 52,000 shares.

(The details of these have appeared in the *Railway Record* and *Railway Times* of November and December 1848.)

3. Advertisements were put forth, that "the allotments had been made, the applications had exceeded the prescribed number of shares 100,000." This sent the scrip up to a premium for some months; the panic suddenly arose, and instead of the premium increasing as the directors speculated upon, the scrip fell to discount.

The proper course then was to stop the Company, and wind up, and communicate the facts to the shareholders.

The directors, also being directors of the South Wales Company, having thousands of shares on hand, concealed the true state of affairs from the shareholders, and most then have formed the design to throw their shares on the corporate funds of "the South Wales Company;" they proceeded for incorporation, against the wishes of nearly all the bond *file* holders.

4. The "subscription contract" had not the required number of signatures (75,000 shares, being three-fourths). After the panic, and in January and February 1846, they added pretended subscriptions and deposits, by directors and officials of the three Companies, for 15,750 shares, as taken *at par, then!* making, with the preceding 47,850, only 63,600 shares taken up.—(List A.)

This circumstance was concealed from the shareholders; the books were held by the officials of the three Companies.

5. In June 1846, the directors returned to Parliament that the "total shares issued, and
71. D paying

paying deposits, during the preceding 12 months, were only £3,001," producing only 20,400*l*.

6. The "Parliamentary deposit" alone required 160,000*l*., independent of the expenses.

The shareholders were refused information on these points, or access to the documents; they were officially told that "the deposit had been made, and were congratulated on their affairs."

7. To June 1846, the directors had received	-	-	-	-	£. 95,400 deposits
They had expended up to February	-	-	-	-	12,425 expenses.
Which left towards the deposit (150,000 <i>l</i>), and future	-	-	-	-	
expenses	-	-	-	-	£. 83,000 only

Concerning these facts from the shareholders, the directors borrowed from the Kingstown Company, the Oxford, Worcester and Wolverhampton Company, and the Great Western Company, 30,000*l*., at interest; out of which they made the deposit in the Customs of five per cent., or 75,000*l*.

8. They had to borrow further capital to make the *House of Lords'* deposit of 10 per cent., or 100,000*l*.

9. "Congratulating the shareholders on the deposits being made," and withholding information on these facts, using the fictitious subscriptions to carry the majority at the "Waterside" meeting, *creating*, by these means, the *Parliamentary regulations*, creating a fictitious capital, the Act of Incorporation was obtained *Sept.* 1846.

Such proceedings called forth, at this early stage, from an Irish lawyer, afterwards a supporter of the directors, this public remark:—"Those MAMMOTS OF RAILWAY JOBBING, the G. W. R. directors, *overset the mark*, and by their too great rapacity and cunning, opened a door to the shareholders for *ruin*."

The directors, the same persons as the three Companies, at the meetings in 1846, ventured to say that there had been no fictitious signatures or payers; that the affairs "of no other G. W. scheme had been administered with greater integrity."

10. It was always, from 1845, pretended that the South Wales Company would take largely. In 1848, an Act was passed for a reduced subscription by that Company, and it afterwards paid 22,400*l*. for same, or 2*l*. on 11,200 shares, as hereafter detailed; but no addition was made to our shares or capital in consequence; nor have we had that money. It also appears that their 11,200 shares are clogged with a condition as to future calls, to which we shall advert presently, and which destroys the validity of the subscription. Individual directors of the South Wales Company took allotments in their own names in June 1846, and, it is admitted, used the funds of the South Wales Company to help their speculations, privately and unknown to the shareholders. After the panic, and when shares were to be had for nothing, they sought to throw shares on the corporate funds of the South Wales Company (of which, unfortunately for both Companies, they were also directors); in 1848 they threw the 11,200 on that Company, and that Company parted with the funds, but not to this Company.

11. In 1846, *bona fide* shareholders coalesced for a dissolution; the directors of the three Companies had still on hand thousands of shares not yet transferred to the corporate funds of "the South Wales Company," and resisted the winding-up of the Company. They had received back the Parliamentary deposits, and lost 50,000*l*. of it to themselves.

12. The opposition had a majority of votes in hand; the directors had called on "scrip-holders to register"; yet, after 11 weeks' delay, refused to register purchasers of scrip, by which means they sought to destroy many thousand votes in the hands of the opposition!! They did register those friendly to themselves, or who could "get (as they were told to do) the interest of a director."

13. At the first half-yearly meeting, in December 1846, the directors procured an adjournment of the question, to negotiate terms.

14. It then appeared, from their own accounts, that they had only, in 1½ years, obtained subscriptions (*bona fide* and collusive) for three-fourths (112,000*l*., or 75,000 shares), whereas they could not proceed with their line "until the whole capital was, *bona fide* and unconditionally, subscribed," according to the Consolidation Acts of 1845; no increase of subscribers appeared up to February 1848, when the accounts exhibit the same 75,000 deposits.

15. After the meeting in December 1846, the Irish leaders of the opposition negotiated a sale of 12,000 out of the 17,500 votes on scrip *refused* registration; that negotiation broke off in January, and the directors and officials of this Company continued their proceedings to obtain a majority by most flagrant means.

16. During that postponement, the capital and officials were employed in buying up votes, shares and transfers, to the extent of some hundreds; solvent holders were persuaded to part with their shares; original allottees were registered against their will, and transfers taken; purchasers of scrip were registered if they supported the directors; proxies and votes were procured, to be withdrawn from the opposition; shares were distributed among the directors and officials of the three connected companies; proposals made to persons to register and vote with the directors on an indemnity; the Company's lawyers gave personal indemnities;

indemnities; agents were despatched to Ireland to canvass for shares and votes; finally, purchasers of 17,500 scrip were refused registration, their property and deposits illegally confiscated, and votes destroyed. The registry was formed contrary to good faith, and included the 13,750 colourable, and 11,200 South Wales shares, at least.

17. By such iniquitous proceedings, and uses of the capital, the directors succeeded in confining the Company, and defeating, by a small majority, the opposition of the bond *fide* holders, at the adjourned meeting, in February 1847.

They refused any list of the allotments, scrip, register of shareholders, &c., and finally voted themselves 1,000 l. a year, and their secretary 1,000 l. a year, nominated their own friends as auditors, &c.

18. *Sir Robert Peel's* remarks, in 1846, have significant application:—"If it should appear that provisional committees or directors traffic in shares, in order to overpower the sense of shareholders at any meeting; if undue means are resorted to for the purpose of counter-acting the intention of Parliament with respect to Railway Bills, I do not believe such parties will be exempt from Parliamentary inquiry and censure; and it will be the duty of Parliament and the press to expose their transactions, and lay them before the world."

19. The directors were unable to proceed with the Company for want of the full subscription. In 1847, they applied to Parliament for permission to go on with three-fourths of their line, "when they had obtained a subscription of three-fourths of the capital, or 75,000 shares."

20. The bond *fide* shareholders again opposed in the Commons; but the directors objecting to any investigation, the shareholders were not heard by the Committee, Group 42, whose Report of 10th of May 1847, states, as referred to them, "Three petitions from certain shareholders, alleging improper and irregular practices on the part of the directors; that at the time the subscription contracts of the said Company were deposited, a considerable portion of the money required to be subscribed, had not been so subscribed; that the promoters of the said Railway had prevailed upon certain persons to execute the subscription contract, undertaking that payment of their subscriptions should not be enforced; that imposition had been attempted to be practised on the bond *fide* shareholders; that the subscription contract has not yet been completed." The Committee decided that shareholders "had not a *locus standi*." The Irish leaders of the opposition were afterwards settled with.

21. The Act passed. Instead of obtaining new subscriptions for the altered scheme, the directors used the old deposits without obtaining the individual consent of each subscriber. Reverting to the S. W. Co. :—

22. In 1845, directors of the South Wales Company allotted to themselves thousands of shares in the Waterford Company, whilst they had them on hand, instead of a rise in the premium; the panic followed. After the panic, the South Wales shareholders, at their meetings in 1846 and 1847, were informed by their directors (who, it must be remembered, were directors of both Companies—the same persons) that "the South Wales Company must take shares in the Waterford Company; that the Irish line was essential to the South Wales Company; that they must contribute to its capital to keep it alive, to keep its works in progress; that they must take the shares *at par*," though paid-up shares could then be had in the market for nothing.

23. In the *Railway Commissioners' Report*, 1847, *Railway Bills*, xii., p. 13, it is said, "The Commissioners have received a memorial from the Kingstown Railway Company, in which they complain that the South Wales Company have, without legal authority, subscribed a considerable sum to the Waterford, &c., Railway. The South Wales Company admit that such is the fact, and that in so acting, they have exceeded the powers of their Act."

This was also unknown to the shareholders, and without their consent or control.

24. This was in February 1847. In 1847 and 1848, the South Wales shareholders were asked by their directors to "subscribe for 25,000 shares (250,000 l.) to the Waterford, &c. Company, as a future subscription, expressly to benefit the Irish Company, and keep it alive, under a guarantee from the Great Western Railway Company to the South Wales Company, of the advance and interest at five per cent." The South Wales shareholders sanctioned it.

25. It was never communicated to them, and they had no means of knowing, that any capital had been already taken, or that the capital to be applied for shares *at par*, was to go into the pockets of the individual directors, to relieve them of their shares.

26. The facts were also concealed from the Great Western shareholders, who have never been asked to legalize the conditions attached to the subscription, nor has Parliament.

27. In January 1848, announcements were put forward, that the "Parliamentary deposit of 10 per cent. on 12,500 shares (250,000 l.) subscribed to the Waterford, &c. Company by the South Wales Company, was lodged, and that the Bill to legalize this subscription is promoted this year."

28. Subscription contracts were lodged for some, signed by individual directors, professing to pay down 2 l. per share, when shares could be had in the market for nothing! Also

covenanted with two clerks of the Great Western Railway Depot, 449, Strand, to pay up the rest!—(B.)

29. The Bill introduced was to authorize a "future subscription" to the extent of 12,500 shares," by "the South Wales Company." No mention was made of the proposed "guarantee," nor of any other condition.

30. The directors of both Companies publicly stated "our subscription is to be 11,200 shares, which we "wish to take to assist the Company in getting on."

31. The Bill passed, with power to the South Wales Company to nominate *permanently* a majority of the directors in the Waterford Company!

32. In the succeeding June 1848 accounts of the South Wales Company, a "payment" is entered "of 22,400 *l.* to the Waterford Company," and monies to the "Cook and Waterford" and other Companies, under similar circumstances.

33. No part of this sum has, up to this moment, found its way into the coffers of the Waterford, &c. Company, whose allotted shares, deposits and subscribed capital, are of the same amount as they were certified to be in 1846.

Access to the accounts and share transactions have been required, but refused.

The shareholders have been entirely misled as to this money going to relieve individual shareholders of shares already taken in 1845 and 1846.

34. Moreover, it has been concealed from the shareholders and Parliament, until March 1849, that there was a *private agreement* between the directors of the South Wales Company and the same *perpetrators* as directors of the Waterford Company, that the South Wales subscription was subject to another condition, destructive in its effects, as regards any future calls or payment of capital, beyond the amount which the individual directors had paid, or were liable to pay, on the same shares; in effect, to relieve them of the shares at par and existing calls, and as to the future, to prevent any more capital being called up upon them; the agreement and condition being, "that no more calls were to be made upon them until the Waterford Company showed the means to make the line to Wexford, and that the subscription was upon the condition of a line from Dublin to Wexford!"

35. For years it has been notorious that, through the share-jobbing and deceptions, and concealment of facts, this Company could never raise capital to make one-third of the line to Wexford; the condition virtually destroys the subscription, from which this Company receives no benefit; yet "the South Wales Company permanently nominate a majority" of the Board! Such a deception on the shareholders and Parliament cannot but be destructive of all confidence, and of all that has been done by the directors, of their powers, of the legality of their acts, if not of the legality of the calls, and the liability of the shareholders. The legality of such a condition is an important consideration; it never received your or Parliamentary sanction, and has serious operation on your interests and liabilities—if it exists.

36. The shareholders have no management or control, the facts have been concealed from them and from Parliament, deceptions practised upon both, and access refused to any documents or books, except the *faux* ones, which afford no real insight into the transactions, and are inaccurately kept.

37. The half-yearly meetings are equally inefficient for such purposes; directors command the majority of such meetings, in such a way as to defeat opposing shareholders, as the transactions of the Waterford and Dublin Company amply illustrate.

LENDING CAPITAL.

38. The directors of the three Companies, after obtaining the Act in 1846, received back the Parliamentary deposits, and lent above 50,000 *l.* to the Great Western Company, illegally and secretly, without the knowledge or sanction of the shareholders of either Company, at a less rate of interest than they could get it in the market.

39. The directors' accounts for December 1846, allege that they had 75,000 *l.* "balance in hand;" they refused to tell where it was; it was not until 1848 that the discovery was made of directors of one Company lending to themselves as directors of another Company!

40. In February 1847, with that "balance in hand," and at a time of great pressure, the directors called up more capital, 10 *s.* per share, and then actually lent another 10,000 *l.* to the same Railway Company, secretly, illegally, contrary to the Act of Parliament, unknown to the shareholders, who had no access to the documents or facts, or could not understand them if they had had access.

41. In March 1848, more capital was called up (during the commercial pressure), though at that time upwards of 40,000 *l.* capital was lent to another Company.

42. In every half-yearly account, from December 1846 to February 1849, the directors have always alleged these loans as "balance in hand;" have refused to tell how or where invested.

The last account states the "balance in hand" at 13,000 *l.*, whereas 11,000 *l.* of that were then on illegal loans.

43. *The interest on these loans has been suffered to be greatly in arrear; yet the shareholders have no means of interference, unless official supervision be established.*

44. *Shareholders have been required to pay interest on their calls in arrear; the directors, when in arrear of their calls, have not paid interest.*

EXPENSES.

45. *The shareholders have much reason to complain of their amount, which includes, yearly white-bait dinners at Greenwich, &c. &c.*

Any attempt at the half-yearly meetings to lessen expenses has been met by the objection, that the subject was not before the meeting, and could not be entertained!!

Referring only to the "office expenses," they include 1,000 l. a-year to directors, 1,000 l. a-year to the secretary, 500 l. a-year to London engineers, hundreds yearly for travelling expenses of secretary, solicitors, directors, &c., to and from London, 500 l. a-year contribution for G. W. R. offices, &c., 440, Strand, 50 l. half yearly towards "office expenses" there, 140 l. a-year for house and offices at Sligoport, besides office expenses, furniture, painting, fittings-up, &c., 40 l. to auditors (G. W. R.), 27 l. "quantum of half-yearly white-bait dinners at Greenwich," 34 l. 14 s. to "Sir T. Esmonde for travelling expenses from Ireland to July half-yearly meeting."

The earlier books are not allowed to be seen, and we are unable to go back into the heavier items; access to the register and other books, papers, and vouchers, to which we are entitled, has been refused, and the last half-yearly meeting avoided by the directors, and baffling the shareholders on those points also.

PRESENT AND FUTURE POSITION OF THE COMPANY.

46. *The total deposit on first call credited is on 75,185 shares, or 112,770 l.; the second call of 10 s., February 1847, on 25,500 shares, included the South Wales Company's alleged 11,300 shares; the third call, March 1848, was paid on only 6,469 shares (the South Wales Company, 11,300 l., 12 months in arrear, not yet paid), making total calls paid up, 132,000 l. and 11,200 l. more in expectancy. Many of the defaulters are directors of the three Companies and their friends. Many hundreds of these payers were for the mere purpose of transferring to papers, and getting rid of the concern. Of the 25,500 shares, held in 1845-6, in Ireland, 19-20ths are gone, by sale, buying up, insolvency, &c. Some hundreds of responsible holders resist the calls on the ground of their illegality, and the conduct of the directors of the three Companies, and the rights of the scripholders. The original total of 75,000 holders is also reduced by the 14,750 fictitious, the 1,200 bought up, the 11,300 South Wales, the thousands of disputed registers, thousands of paper transfers, &c. &c., so that very few thousands of holders remain able to pay, if willing, and on whom the burden of making the line will rest if they wish to go on, or if compellable by the landowners, public, or the directors to do so, the directors and friends do not hold a thousand shares now.*

47. *We divide the line into four Sections:—1. Dublin to Bray (old Kingstown Company's line), and Bray to Wicklow. 2. Wicklow to Scarawalsh Bridge and Ennisceorthy. 3. Scarawalsh to Ennisceorthy and Wexford. 4. Ennisceorthy and Wexford to Waterford (suspended). Each was estimated to cost a quarter of a million each (total 100 miles.) We have power to make a separate line from Bray to Dundrum and Dublin, independent of the Kingstown Company's line. They have power to come to Bray, if we do not make that portion. The Dundrum Company has power to go from Dublin to Dundrum half-way between Bray and Dublin; we have power to make our line up to Dundrum, run over theirs and go from Bray to Dublin if they do not. The Kingstown Company has also power to make the Dundrum line if the other Companies do not; that line is inland; it would shorten the distance; Dublin to Bray, 3½ miles, cost 100,000 l.*

48. *Section 1. Is partly done, Bray to Kingstown; it is the heaviest part of the line. The lease of the "Kingstown Company's" line (6 miles) can only be taken by us if we complete to Wicklow. The rent of it is to be 34,000 l. per year, and accept profits; its receipts are now 000 l. to 500 l., and may be about 1,000 l. a week, its working expenses 64 per cent., which would leave 26,000 l. per year towards the rental, if the earnings increase to 1,000 l. a week; by this entrance to Dublin we shall lose considerably. We have also paid 7,250 l. to the Kingstown Company, buying off their opposition in Parliament, and 75,000 l. are required for alterations, &c., under the Acts of 1847 and 1848.*

49. *Our line, Kingstown Junction to Bray, has been estimated at 25,000 l. to 30,000 l. per mile; say seven miles, at 30,000 l., would cost 210,000 l.; at 20,000 l., would cost 175,000 l. We have spent on that section, to 31st December 1845 (according to the withheld accounts of February 1849), works, land, wages, engineers, &c., about 48,000 l. We had only 13,370 l. in hand, out of 192,000 l. capital paid up. More than 100,000 l. is required for that portion, besides 100,000 l. for carrying stock, &c.*

50. *Bray to Wicklow, 17 miles, has been estimated to cost 18,000 l. to 20,000 l. per mile, or 258,000 l. to 340,000 l. Then the Kingstown lease could be taken by us, or we might get into Dublin by a separate line, or by the Dundrum Company's line.*

51. The line from Scarawalsh Bridge to Ennisorthy and Wexford can be made by the Irish South Eastern Company if this Company does not; we have running powers, that would open up the inland communication to Carlow, &c., but not our coast line, designed and paraded for a "through route between London and Dublin, in 18 hours, in competition with the *Holyhead route*," which accomplishes it in less time.

FUTURE CAPITAL.

52. £. 3 per share has been paid up; 17*l.* remain: if the whole were called up, it would not, in the present state of our affairs and want of confidence, be paid by even 5,000 holders. Confidence, and a change of management, in the system and the persons, a revision of their proceedings, might produce calls to the extent of 50,000 shares, but it is believed, not otherwise, nor more. And there are not that number of *bona fide* or responsible shareholders on the register.

53. Moreover, the funds of this Company and the directors will be held responsible by the scrip-holders for the illegal confiscation of their deposits, exceeding 80,000*l.*, besides litigation, with registered allottees and shareholders, as to the legality of the calls. Mr. Nash, for a number of associated shareholders, *twelve months since*, offered to the directors to contest these points in one action, which would guide all the shareholders.

54. The shortest course would be to dissolve the Company, sell the works (still holding the directors responsible for their flagrant proceedings), or make the first section of the line only, work it, lease, or sell it to another Company.

CONTINUANCE OF COMPANY.

55. If the Company were placed in independent hands, the true state of their affairs disclosed, rigid economy observed, a thorough revision of the management and establishment, and of the shareholders' register, a division of the shares into quarters or thirds, adapted to each section of the line, with an option to each shareholder of going on beyond Bray or Wicklow, if he pleased to carry out more, an equitable arrangement with the land-holders, enough capital might be obtained for the first section; an arrangement with scrip-holders as to their forfeited deposits, and the inducing them to take up quarter or third shares, crediting the 30*x.* paid with preference interest on the rest, or some other equitable arrangements, so as to obtain confidence (instead of litigation as to the calls and past transactions of the South Wales Company), would be desirable. Otherwise, shareholders and scrip-holders can only (acting on legal advice) contest the directors' proceedings, take every means of resisting them, and bringing them to the tribunal of public opinion as to their conduct, and by means of association, and trying one action, benefit the whole body, or dissolve the Company.

Counsel's opinion confirms the views before expressed, that, if the frauds be established to the satisfaction of a jury, and have not been adopted, each shareholder and scrip-holder can recover back his deposits, and be relieved from future calls.

The Committee of Shareholders,

Captain Warrington, Rev. D. Robinson, and Mr. Nash.

53, Parliament-street, March 1848.

Enclosure 2, in (No. 28.)

WATERFORD, WICKLOW, and DUBLIN RAILWAY, in connexion with the
SOUTH WALES RAILWAY.

REVISED REPLY to the DIRECTORS' REPORT.

Registered Shareholders,

I was the subject were in better hands; but my attention to it for many months, originating the present movement, may excuse me for thus addressing you.

At your February (1848) meeting your directors refused to face you, though in an adjoining room, with proxies sufficient to make a meeting. They withheld their report, and threatened you with the police, in a room for which you pay 500*l.* a year rent. The resignations of directors, including Mr. Crosswraite, who had large loans of S. W. R. capital, is concealed.

At your August (1848) meeting they suddenly presented a report, affecting the whole constitution of the Company, without a word of explanation; sought to thrust it arbitrarily upon you—two dozen persons, holding 600 shares, voting (*pro* and *con*) upon it, out of a constituency of 1,200 persons, holding 75,000 votes. In spite of remonstrance, it was, by a minority of persons, but with votes made up of officials of the Company, illegally forced upon you, your chairman refusing to put other amendments, and having
even

even proposed himself as judge in his own case, as scrutineer! Access to the books or register, or explanations of the transactions or accounts of the Company, being also refused.

That report is before you. Do the directors speculate rightly on your credulity, your cowardice, or your indifference to moral rectitude, and your ultimate interest! Your vote at the next meeting will decide its fate.

They now, after 18 months' resistance to our suggestions—[to dissolve, or, at least, shorten the line to six miles, and reduce the shares to 5*l.* each, with integrity of management]—feel driven to concede to our opposition but to a limited extent, and so as to confer no real benefit upon you; yet they force their own details upon you without observing the main course of governing bodies, which has been to resign when their policy has been defeated, and they submit to that of their opponents. However, what is your condition and prospects?

This line was originally projected as a broad gauge rival to the "*Clontarf and Holyhead*," for the traffic between London and Dublin; the management being in *Great Western and South Wales Railway* directors. It was nipped in its birth by jobbing, which "allotted" only 49,000 shares out of 160,000, and in such a manner as to eclipse all known instances of jobbing on record, and included above 28,805 and 14,175, and afterwards 11,200 to the officials, &c. of the three Companies. (See *Railway Record*, January 1849, and reports in *Money Market Examiner*.)

The "proposition" now is, to make 23½ miles out of the 160—that is, to go [Dublin to Kingstown (6 miles), at a cost of 7,250*l.* and 20,000*l.*, and a rental of 24,000*l.*]—Kingstown to Bray (8 miles), at a cost of 171,000*l.*;—to Bray Head (3 miles), cost 40,000*l.*;—and Wicklow (12½ miles), for 61,000*l.*—i.e., to make 23½ miles of new line, at an "estimated" total cost, including stations (and excluding stock), of 420,270*l.*,—therefore "requiring now at least 366,740*l.*" (say, rather, 400,000*l.*) more capital for works—independent of the expenses of the Company and stock, and the Kingstown lease.

The directors propose to make the "capital" 500,000*l.*, by reducing the shares to 50,000 of 10*l.* each. The realisation of their "delusion" is built on the 73,186 shares (paid upon in 1845), and on the present share register, which is thus divided by the directors—

- (a) 18,137 shares (11,200 for South Wales and 7,000 others) who have paid all calls (3*l.*).
- (b) 7,944 shares who have paid the first call and deposit (2*l.*)—Arrears, 7,944*l.*
- (c) 49,105 shares who paid deposit only of 3*s.* in 1845.—Arrears, 73,637*l.* 1*s.* 6*d.*

Making 73,186 total shares "subscribed" in 1845-6,—and registered, 1846-7—out of 100,000 of 20*l.* each.

The directors hold out, that the 7,944 and 49,105 will pay up to 3*l.* per share on their present shares, and then, with the 18,137, come in and exchange their 20*l.* shares for 10*l.* shares (three old for two new), go on with the Company and pay up 5*l.* 10*s.* more on each! The only deduction from the 73,186 in the directors' calculation is for insolvents! So that, substantially, it would be necessary to realize the whole arrears and new shares.

If b. and c. pay up their arrears of 7,944*l.* and 73,637*l.* 1*s.* 6*d.*, then the 73,186 shares will be all on a par—to exchange for the 50,000 shares—to pay the remaining 5*l.* 10*s.* each, or 275,000*l.* more capital,—and thus produce in all 366,691*l.* of total capital, or just above the directors' estimate for the line, without the rolling stock, &c. It would be necessary, therefore, to realize the whole of these shares—(either by present holders paying up, or by confiscating defaulters' shares, and find persons to take them) pay up arrears—and willing to go on paying at least 5*l.* 10*s.* more per share! and all for a line to Wicklow (or Bray), and to pay the Kingstown Company double its present dividend.

I. Now the hollow, the delusive character of this "proposal" can be summed in a paragraph:—eight-tenths of those 73,186 shares are gone; your "register" does not contain 20,000 shares in the hands of dead, sick, responsible, or willing holders; when paid up 10*l.* each, your shares will not be worth 10*s.* The "proposal" cannot be half carried out.

You see that one-fourth of your 160,000 shares were never taken up; and there are 60,000 out of the 73,900 (or two-thirds) in arrears since 1846, without an attempt to enforce their disputed liability. Even those of a. and b., who did pay the calls, did so, in many cases, in order to transfer to paupers. You dwindled down from 160,000 to 73,186—then to 20,000 (a. b.) paying first call—then to 18,900 (a.) paying the second. Those include the 11,200 of the South Wales Company, who hold secret agreements with your directors not to pay more calls unless in certain events. Of the 7,000 shares (part of the 18,137 paid up by 160 persons), 8,300, held by 71 persons, have been transferred lately.

What becomes of the "calculation" based on such foundations? Is it anything more than a *weavery*, a *delusion*, and a *snare*—to prevent your making any effort to break up a Company, which exists only for the benefit of officials and landowners? Moreover, those 73,186 had no existence as real or *bona fide* subscribers. It is true 73,000 paid the first deposit; but how?—only 49,000 were allotted and paid up when the panic happened in 1845, after that 11,200 were saddled (by some means) on the "*South Wales Railway Company*," at 1*s.*, making 60,200 shares only; 14,200 friendly signatures and deposits were added colourably, with some others, to make up your registered 73,186 of 1846-7.

Therefore in any calculations, the following deductions must be made from these 75,145 shares, originally held by 1,300 persons:—

1. The "friendly" signatures for (1845-6) - - - - - above 14,000
2. Shares (17,500) refused registration in December 1846, by the directors, and original allottees, registered hostilely, to the extent of - - - - - above } 20,000
- That step was too doubtful and unjustifiable to admit of your seeking any capital on those shares.
3. The shares bought up by your officials, to overpower the meetings 1846-7, besides the votes silenced under Boswell, Perry, Boyce, Harvey, Reynolds' oppositions, &c. &c. - - - - - }
These items may account for the sudden reduction from 75,000 "deposits" to 26,000 shares paying the first call. Assume 11,200 of these to have been fixed on the South Wales Company.
4. Those who transferred to paupers, &c., after the first call, say 170 persons holding shares - - - - - } 7,500
5. Those who transferred to paupers, &c., after paying the last call, say 80 persons for shares - - - - - above } 3,300
6. "Gone away," &c.—232 persons, and 40 of new men (known) [mostly in arrears also] - - - - - } 6,800
7. Known insolvents, poor, &c. (65), say [in arrears] - - - - - 3,000
8. Further shares not included in above: held in Dublin, 2,700 shares; by 150 persons; in Clonmel, 1,000, by 44 persons; Cork, 1,000, by 22 persons; Waterford, 1,000, by 32 persons; Wexford, 420, by 24 persons; Wicklow, 365, by 15 persons; Limerick, 485, by 12 persons; Ireland, 418, by 14 persons. Of these, not 1-20th will or can pay, say a loss of 7,000, out of 7,400 shares [in arrears of calls]
9. Deduct those in England who cannot pay, &c.—unknowns - - - - -
10. In the above are included about 20,000 shares silenced under the Perry, Boyce, Reynolds and Harvey oppositions, some of which are still on the register, and liable to pay - - - - - }

Have you left 10,000 *bond fide* shares? It is true you say, after long litigation, realize something more from Nos. 2, 8 and 10, and may have yet the South Wales 11,200 shares, but that is doubtful. Where, then, are the 75,000—aye, or a quarter of that number, who are to be victims of this delusion?

Above 7,000 of those on the "register" have already expressed in favour of a dissolution; so that you stand in a majority, if you choose to exercise your power, treating the calls and register as illegal. The directors cannot command 3,000 *bond fide* votes.

II. What is your prospect of getting even to Bray? and what will it be worth if you do? You have been four years at work—spent 130,000*l.*, of which only 40,000*l.* is on "works"—penetrating two rocks (one at Killiney Head and one at Bray Head), and instead of "six miles in hand," not made one mile of railway. To get from Kingstown to Bray (right miles) requires the sums of 171,000*l.*, and (for stock, stations and permanent way) above 100,000*l.*,—which make *sic* 10*s.* more per share on 80,000 shares. Suppose the line can be made for the estimate (rare event in broad gauge annals), it will be *K.* to Bray Head (11 miles) 240,000*l.*, and stations, &c. 100,000*l.* (or 31,000*l.* per mile), besides stock, &c. Moreover, you have to encounter a claim by the scrip-holders for the portion of their deposit, most unjustifiably confiscated to the extent of 25,000*l.*, and to make a dock at Bray, &c.

III. What can be the utility of going to Wicklow, unless to please the landowners and officials? The traffic (homs and hants) with that starving and decaying district Wicklow, scarcely maintains a conveyance on the road. Yet you are to go through rocks, to fishing villages—between the mountains and the sea! The London, Welsh, Waterford, Wexford, and Dublin traffic is gone, and yet you are asked to sink 420,000*l.* on the Wicklow mountains and landwards—a pretext for keeping up an expensive staff and establishment in London and Ireland.* Even the line made half-way from Dublin to Wexford, *vid* Carlow, will not go further, though the stream of traffic is inland.

IV. If you go to "Wicklow" you have to take the Kingstown and *Dedry* lines. Already you have paid that Company 7,250*l.* for "expenses"—you are to alter their gauge for eight miles, take their rolling stock, &c. (cost 40,000*l.*), and pay them 34,000*l.* a year, and half your gross receipts of their line above 55,000*l.* a year—and we know not what else, for the agreement is comical. The traffic of that line is 1,000*l.* a week, the working expenses about 66 per cent.; so that you have left 340*l.* a week, or say 18,000*l.* a year, to meet your rental of 34,000*l.*, &c. &c. The Kingstown Company, to preserve their own

line

* Skirting Wicklow county sea-shore you are to serve the following important towns and populations:—Ray, 3,100; Dalgany, 201; Killinenny, 179; Enniskerry, 448; Kilcock, 226; Down, 172; Newcastle, 126; Newtown M'Kennedy, 823; Ballinella, 800; Rathnew, 116; Wicklow, 2,771!!!

line as an entrance into Dublin, got an Act to go to Bray, and might be induced to buy your powers and works.

Ponder well over these hints, and then take the South Wales Company's subscription as an illustration of the "integrity" of your "management!"—in which the same men direct the different Companies!!

V. In 1845, we were amused with "a lease of our line to our allies, the Great Western and the South Wales Companies" in 1846, with their taking "half a million of our capital" (25,000 shares). In 1847-8 that was brought down to 12,500, and we were told that though shares could be had, and were offered to them, for aill, yet "to assist us they would take them at par," and had actually paid us deposits of 2*l.* on them!! Each statement "answered its purpose;" but what is the fact? That this pretended "subscription" was in May 1848 sanctioned by the South Wales shareholders on condition of an indemnity of the Great Western Railway Company for principal and interest, but not yet legalized, if given. We never got any additional subscribers to those we had in 1845-6; so that if they were paid at all, it was at that time, and only on 12,500 shares; yet on the faith of 12,500 that Company nominates a majority of your Board. Moreover, there were secret understandings "guaranteeing that Company from future subscriptions to this, unless we showed them that we could go to Wexford" (an inability well known when the Act was applied for!) These were admitted by Mr. C. Russell at the public meeting of February 1849; and on the faith of them the South Wales shareholders did not oppose "the last" 2*l.* a share on 12,500 as a "last payment." In June that statement was repeated by the South Wales ex-secretary.

In August (1849 Report) we are told that another secret understanding is to be come to between the two Boards (the same men being on each) by means of a letter from its secretary, who is now invisible, for sanctioning the South Wales Company of an absolute subscription to our line for the 12,500 shares, and that the S. W. Board approve of the proposal of the S. W.'s Board, but the G. W. R., as guarantee, refuse it; yet this Company intends to proceed to Parliament to legalize this "proposal."

VI. Look into your internal management—1,000 *l.* a year to directors; 1,000 *l.* a year to secretary—rotated and retained in opposition to wishes of shareholders; 500 *l.* a year rent for the establishment, 449, Strand; 150 *l.* a year rent of secretary's mansion, &c. at Kingstown; 36 *l.* for Sir T. Esmonde's yearly travelling expenses to England in the season; 700 *l.* a year to resident engineer; 650 *l.* a year to London engineers; besides London and Dublin lawyers and officers.

VII. Their alleged "balances in hand" for years have been *fictitious*. The greater part have been on secret and illegal loans to others, especially to the Great Western Railway Company, who still hold your capital, unknown to you, and at times when you were oppressed with calls! as detailed in former Report.

These are some of the acts which you tolerate, and which they ask to legalize and sanction!

Your works and Act of Parliament must be worth something to sell. The general feeling is to wind-up; but if you go on, what will be the result—with proceedings unparalleled in the history of railway enormities—with an expensive staff—dilatory lawsuits—Parliamentary contests—to decide on this second delusion?

If the present opponents stop in their opposition for want of sufficient support, then "no quarter" would be shown: original allottees, directors' friends, and all others will be made to pay up, or fight single-handed. Finally, what will be the worth of the scheme when all the capital is paid up? The shares will be worth as many shillings as there will be pounds paid. Do not calculate on lying by and benefiting without working. Whilst "protesting against the calls, the share register, the S. W. subscription, the Board of directors, &c., as being, like the Act of Parliament, void," and doing nothing to admit or adopt them, or any liability, you can, by union, without risk or liability, ensure a certain victory; the power is in your own hands. You are a numerical majority, if you choose to exercise it, and, at least, secure the management of your own affairs! 1st. By the South Wales Company refusing to go on with this Company. 2nd. Amicably, by the directors manfully promoting a dissolution and meeting you to discuss. Or, 3rd. Hostilely, to enforce a dissolution and investigation; concentrate shares and votes—obtain a majority; and, by requisition and meetings, direct the management, &c. Those require no liability or outlay. 4th. Stop all actions for calls, as the Committee have, until one be decided, and write to *try that one*, at a trifling contribution. *Strengthen those who resist the directors' acts*, and seek for relief at law and in Parliament.

Charles Nash.

1849, 52, Parliament-street, where petitions and requisitions lie for signature.

Submitted by the Shareholders' Committee to the shareholders—under protest, and denying all liability.

Enclosure 3, in (No. 28.)

SOUTH WALES RAILWAY COMPANY (and connexion with IRISH and WELSH LINES).

THIS Committee feel called upon to advert to the affairs of the South Wales Company, inasmuch as the S. W. Co. is interwoven with the Waterford, Wexford, Wicklow, and Dublin Company to the extent of a quarter million, and the fate of the S. W.'s Co. is dependent on the decision of the S. W. shareholders.

This Committee having awakened the attention of the S. W. shareholders to their affairs in the autumn of 1848 and spring of 1849 by their "Reports," the appointment of a committee of S. W. shareholders followed in August 1849.

The main object of that committee seems to have been the guarantee of the Great Western Railway Company for the capital for the whole line to Fishguard, or a portion to Swansea, or the raising capital to carry out the line.

There appears, in this case, to be considerations involving the integrity of railway management of far higher importance than the mere pecuniary guarantee.

That committee had no access to the books of the Company. This committee has investigated them, and have to submit the following important matters to the shareholders:—

(I.) GUARANTEES.

The agreement for this guarantee "for the main line, when completed to Fishguard," is so vague, and conditional on so many things to be hereafter arranged between the Companies, that it would be almost impossible to enforce a lease or guarantee against an unwilling lessee, and it becomes a question whether the shareholders should not at once throw it over, and take the management of their line into independent hands.

The expenditure on works west of Swansea is estimated, up to 30th June 1849, at 150,000 £, besides the Llanelly and Tenby lines.

The guarantee for the "subscriptions to other lines" is also dependent on the completion of the main line.

(II.) SUBSCRIPTIONS AND LIABILITIES of the SOUTH WALES Co.—£. 900,000.

Although the only Irish and Welsh "subscriptions," sanctioned by Parliament, up to the end of 1848, are to the "S. W.'s Co.," and the "Vale of Neath Co.," which the shareholders of these Cos. and of the S. W. Co. had agreed to, on the faith and condition, (1st.) of the G. W. R. guarantee, and as a loan to them; and, (2d.) an additional one per cent. interest on calls of S. W. capital, which would ultimately fall on the G. W. R. Yet it will be seen that "subscriptions" to other lines have been paid, although not legalised by Parliament. Moreover, that those subscriptions and agreements have not been submitted to or sanctioned by the shareholders of the respective Companies.

This expenditure of capital, though made in 1846-7, was not communicated to the shareholders in the printed accounts or otherwise, until August 1848, and then only in a lumped sum, thus: "Subscriptions to Irish and Welsh lines, 61,200 £" which is now 45,284 £. and upwards, besides interest and costs.

IRISH LINES.

(a.) THE WATERFORD, WEXFORD, WICKLOW, and DUBLIN Co. will serve as an ILLUSTRATION.

In June 1848, an Act was passed, promoted by the same persons, officials of the G. W. R., S. W., and S. W.'s Cos., for a future subscription by the S. W. Co. to the S. W.'s Co. "to assist it," for "not exceeding" 12,500 shares of 20 £, or 250,000 £.

In August 1848, the S. W. Co.'s printed accounts included, for the first time, "payments to Irish and Welsh lines," to the S. W.'s Co., 2 £ per share on 11,300 shares (26,600 £. and 5,500 £), 22,400 £.

And the August 1849 account exhibits further payment of 11,900 £.

The private books of the S. W. Co. show that these 11,300 shares were paid for as far back as "Dec. 26, 1846," though not brought into the account as a payment till August 1848, but always appearing in the "balance" in hand.

No sanction for these shares had been given by the shareholders up to that time.

The directors admitted the "illegality of this very contribution" to the Railway Commissioners, in March 1847. (See their Report to Parliament.)

The Act passed in August 1846, through misrepresentation, concealment of facts, and colourable majorities of shareholders and unjustifiable means.

At the April 1847 meeting, the shareholders were asked to sanction a Bill for leave to subscribe to Irish and Welsh lines, on faith and condition of, 1st., another "guarantee" and indemnity from the G. W. Co. of the principal and interest (i. e. "the same extent of guarantee as on the capital for the main line"); and, 2d., an increased interest on their calls from four to five per cent.

Mr. Russell then said, "The utmost amount is 200,000 £. to the two Irish lines, and that on a guarantee of the G. W. R. Co.;" "it is in the nature of a loan to that Company."

The sanction given at that meeting was not acted upon by carrying a Bill through Parliament.

In

In April 1847, a further sum is entered in the South Wales books as then paid to the 3 W.'s Co. of 5,600 £.

That does not appear in the half-yearly printed accounts submitted to the shareholders until August 1848.

In May 1848, the S. W. shareholders were asked to sanction two Bills, one for a "subscription" to Vale of Neath, the other to 3 W.'s Co., both purporting to be for "future" subscriptions, but refused to do so on the opposition of Mr. C. Mortimer. The directors, however, procured a sanction of the Bills on the pledge and condition, incorporated in the resolution, "that the G. W. R. Co. were to guarantee the S. W. Co. the principal and interest." Access to that resolution has been refused, but this committee put it in evidence before Lord Shaftesbury, Session 1848.

The Bills were prosecuted through Parliament (by the gentlemen who were directors and officials of the G. W. R., S. Wales, and 3 W.'s Cos.), without any conditions; a separate Bill to "increase the interest on calls," payable by the G. W. R. Co., was rejected, after hearing one witness (Mr. C. Russell) upon it. Nevertheless, the other Bills were prosecuted, and carried in June 1848, but not including or legalizing the "conditions," or the "guarantee," or the agreements between the two Boards.

Throughout 1847-8, these subscriptions have been repeatedly represented and treated as "future" subscriptions, to assist and keep alive the Irish and Welsh Cos.; yet the Irish Co.'s funds show no addition up to this day to the number of subscribers which it had registered on 21st December 1846, nor any subsequent receipt of the above 15,800 £. included in the August 1848 accounts.

It appears from reports of this committee on the 3 W.'s Co. that only 48,811 shares out of 100,000 (the total in that Co.) were allotted, and that the directors and officials of the three Companies referred to had above 26,000. That they afterwards signed for 14,113 and 11,200 shares, making up the 75,000 shares the total subscribers for.

That after the panic of 1845, and down to the *aforsaid* December 1846, many thousands of shares were still in the hands and names of persons who were then directors, &c. of the 3 W.'s, the S. Wales, and the G. W. R. Companies.

In 1846, the *bona fide* shareholders of the 3 W.'s repeatedly urged, and afterwards combined for a dissolution; the directors resist ditto: the question was to be decided at their first ordinary meeting on 21st December 1846. The opposition were in a majority. The directors finding defeat certain, induced them to adjourn that meeting for two months.

The entry of date of 26 Dec. shows that the South Wales Co. paid for 11,200 shares in the 3 W.'s Co., at par, shares having for months been sold in the market for FIVE SHILLINGS each.

Other shares were bought up, to a large extent, by officials of the three Companies. Purchasers of scrip were refused registration, and original allottees registered against their will to the extent of nearly 30,000 shares, transfers taken from the original allottees, and other iniquitous acts resorted to, to defeat the opposition. Officials of these Companies and others were registered, and actually *lied* to attend the meetings, and support the directors.

Notwithstanding these means, the directors only carried the existence of the 3 W.'s Co. by a majority of 1,020 votes, the funds of the S. W. Co. deciding the prolongation of the 3 W.'s Co. against the wishes of the general body.

In February 1849, Mr. Russell announced that the S. W. Board had an agreement with the 3 W.'s Board, that "no more calls should be made on the S. W. Co. shares, unless and until the 3 W.'s showed the means of going to Wexford."

It was well known before then, before the Bill of 1848 (June) passed, authorizing the expenditure of S. W. capital in this subscription, that the 3 W.'s Co. could never get half way to Wexford, and that was admitted by both Boards, June 1848.

These facts were withheld from Parliament and the shareholders.

Yet in June 1849, the Board of the 3 W.'s propose to (themselves as) the Board of the S. W. Co. to shorten the line to Wicklow, which cannot be of any use to the S. W. line, and to reduce the shares. Thus, also, seeking to legalize and make absolute the liability of the S. W. Co. for the 11,200 (or more) shares, and destroy all the conditions on which they were taken.

That proposal was "accorded to by the S. W. Board," and a Bill is prosecuting to legalize it.

The S. W. directors make no announcement in their August (1849) Report, beyond a bare statement of the proposal! But this committee obtained from the chairman of the S. W. Co. at the August meeting, an admission that "the G. W. R. Co. will not, as guarantee, adopt the proposal." Yet directors of the 3 W.'s and S. Wales Companies, who are upon the G. W. R. Board, are prosecuting it!!

This committee have, in their Reports, demonstrated that the proposal is *delusive*, and cannot be carried out to half its extent; it requires ALL the ANNUALS, and all the original registered holders of 75,000 shares to pay up and consent; whereas three-fourths of them are gone, and cannot do so; that the burden of carrying out the proposal will rest on the S. Wales Co., and about the same No. of shares in other hands; that the line will be *profitless*, if made.

OTHER SUBSCRIPTIONS.

Specifying those without and those in Excess of Legal Authority, to Lines which the same Directors of the Three Companies were connected.

3. COKE and WATERFORD Co., 4,000 shares; paid 6,000 £; liability for 80,000 £.

This stands on same footing and under the same regulations as the S. W. Co.; no Act of Parliament obtained; subscriptions paid in 1846 (January) before this Co. was incorporated.

In 1847, power asked, and bill sanctioned for a future subscription, but not passed.

The printed accounts do not exhibit this "payment" till August 1848, except in the "balance in hand."

c. TARRY and SANDERSTOFT Co., 500 shares; paid 1,000 £; liability for 10,000 £.

Payments made in February and April 1846. Power taken afterwards to "purchase on lease," but not to subscribe for shares.

Payments not disclosed in printed accounts till August 1849.

This line is west of Swansea.

"The subscriptions to the C. and W.'s and the T. and S. were conditional on their obtaining the authority of Parliament for them. Means have been taken to suspend the works on a. b. c. so as to release the S. W. Co. from any future payment."—(S. W. Co. Return, June 1849.)

VALE of NEATH Co., 6,389 shares; paid 98,334 £; liability for 127,700 £.

In 1847, February and April, the S. W. directors paid on 6,389 shares. This payment not disclosed to the shareholders in the printed accounts.

In April, a Bill for a future subscription was approved "to extent of 125,000 £," but not passed.

In 1848, February, at S. W. meeting, Mr. Russell said, "We cannot tell the amount yet we shall ask you to subscribe."

At the May S. W. meeting to sanction a subscription Bill for 6,389 shares, the conditions were attached as before stated; that Bill passed, empowering the S. W. Co. to "subscribe;" in future, no conditions attached.

LITVNI VALLEY Co., 3,100 shares; paid 4,300 £; liability for 63,000 £.

In 1846, January, the S. W. directors paid 2 £ per share, or 6,300 £.

In June, power to sell or lease to S. W. Co. (not subscribe) was granted by the shareholders, and an agreement to purchase a portion of the line was made between the two Boards.

Afterwards power to purchase the "Duffryn" line for 50,000 £ in shares was taken. There seems no power "to subscribe."

SWANSEA VALLEY RAILWAY Co., capital 225,000 £; "no shares created;" portion of line already exists.

Expenses in obtaining Act of Incorporation paid by S. W. Co. 1,287 £ 2s. 6d. and 8,000 £.

A sum was invested by S. W. Co. for purchase of Swansea Vale line (part), 37,000 £. That appears in one of the earlier accounts, but is left out of the last half year's printed account.

In 1847, April, an agreement to purchase and Bill approved (for the whole) 227,000 £.

LLANELLY RAILWAY and DOCK Co.

LITVNI VALLEY EXTENSION Co.

GLOSTER and DEAN FOREST, 4,000 shares; paid 10,000 £, &c.; liability 110,000 £.

The purchase to be 30,000 £ and 20,000 £.

Bill to purchase for 100,000 £, sanctioned by shareholders in 1847.

S. W. Co. became owners of part of line, to make it, in lieu of paying calls.

Query: Any authority to take shares?

GLOSTER DOCK; Bill passed 1849; capital 34,000 £.

SEVERN and WYE Co.; expenses paid by S. W. Co., 15,000 £.

and to pay 2,000 £.

In 1847, Bill passed to lease or purchase and pay the 17,000 £.

. These involve a liability for about 900,000 £ for lines ultra the main lines.

OTHER "TRANSACTIONS" with CAPITAL of S. W. Co.'s DIRECTORS.

In 1845, capital was lent on bills of exchange to extent of 17,715 £.

In 1846, a loan of capital was made to R. F. Gower, director of G. W. R., S. W., & W.'s Co., &c., who reduced it by gradual payments.

In 1846, loan transactions with Glyn, Mills (director of all these Companies), and Co., and through them with , of 105,000 £, at 2 and 2½ per cent. only, till December 1846, the shareholders being oppressed with calls to make these loans, and paying 5 per cent.

cent. to the Company, money being worth in the market 7 to 12 per cent. during part of this time.

In 1846, a loan transaction with the Vale of Neath Company for 25,000*l*.

In 1847, January, loan from that Company to this Company, at 4 per cent., for days, this Company having their capital out on loan at 2 per cent., and the shareholders oppressed with calls.

In 1846, April, loans to G. W. R. Co., 30,000*l*, "per resolution of finance committee."

In 1847, January, further loan of 50,000*l*; and, in February, further loan of 40,000*l*.

In 1847, Midsummer, a balance was due from G. W. R. to S. W. Co. of 30,175*l*.

This is represented in accounts as if "balance" is *hand*.

In 1847, July, a further loan of 70,000*l*; and, in August, further loan of 50,000*l*.

Making then outstanding on secret and illegal loans to that Company 150,175*l* 6*s*. 10*d*., of which no information was given in the printed accounts.

Calls were actually made on shareholders to make these loans at times of great depression.

In 1848, Midst., G. W. R. is debited with 4,680*l* 17*s*. 8*d*. as "interest on loans and deferred portions of calls."

In 1848, December, interest on calls in arrear from June to December, 1,771*l* 10*s*. 9*d*. is debited to G. W. R. Co.

In 1847, Mr. Crosthwaite, of Liverpool (G. W. R.), had loans of this Co.'s capital; and in 1847, March, he is debited with 10,000*l*, for which, he says, he "deposited ample security, namely, G. W. R. shares." Paid off March 1848.

In 1849, February 7, the Christmas accounts submitted show the balance of loans and interests as if "balance" in hand, and so throughout the accounts circulated.

BALANCE SHEETS AND ACCOUNTS.

Except as specified, these "transactions," with the capital, in Cos. with which the directors were connected, do not appear in the printed accounts, so that the shareholders and the public were in ignorance of the application of their capital, and the balances every half year actually including, as monies in hand, the sums thus illegally and secretly disbursed and lent.

That could not have existed under a proper and independent management, or auditors.

The auditors were men deeply connected with the Great Western and these schemes, or some of them.

Mr. Gower, a relative and partner of Mr. Gower, director of the G. W. R., S. Wales, & W. & other G. W. R. schemes, was appointed auditor in 1846. And Mr. A. Pault, of Leadenhall-street, a relation of the director of the S. Wales, G. W. R., & W.'s, and other Irish and Welsh schemes, was appointed auditor in 1846.

Mr. Thurnham, of Egypt, appointed auditor in February 1849, was a correspondent of Gower and Co., and through them got shares in many Railways, including the S. W.'s Co.

The "BALANCE" IN HAND ON LAST half year's printed accounts
(August 1849) is alleged as - - - - - £. 91,192 9 7

But it is thus made up and invested—

Actual cash in hand of banker's, &c.	£. 24,018 12 1
Trustees for purchase of "Swansea Vale Company"	37,360 - -
Outstanding accounts against G. W. R. Co.	
Interest account	6,398 4 -
Outstanding accounts against G. W. R. Co. general account (loans and calls)	1,281 - -
Outstanding accounts against Vale of Neath Co.	1,340 - -
Outstanding accounts against Oxford, Worcester and Wolverhampton Co. (bal.)	11 - -
Other funds, private cash, &c.	225 9 11
In hand of land valuers, resident engineer, &c.	337 3 7
	£. 91,192 9 7

EXPENDITURE, &c.

A large sum has been paid in contributions to the expenses of other Companies, such as the "Hereford, Worcester, and Gloucester Co.," the "Welsh Midland Co.," the "Great Eastern and Western Co.," the "Port Dymallan Line," &c.; rent of offices, 440*l*, Strand, 350*l*.; secretary's defalcation, &c.; cancellation of contract for rails, 20,000*l*., &c. &c.

RESUME.

When the financial situation of the G. W. R., the difficulties in the way of perfecting the guarantees, the probable future insolvency of the G. W. R. to fulfil them, together with the past management of this Co., are considered, it becomes a question with the independent S. Wales shareholders, whether they should not abandon the guarantee, look to an entire change of management, economical making, and more beneficial working, by a better union

with the northern line secure an identity of interest, opening up new channels of traffic and the retail trade of England for the mineral products of the Western and Welsh lines, as long desired by means of a uniform gauge. Considering also that several of the mineral lines in Wales are on the national gauge, and that the Railway Commissioners in 1846 expressed that they were "aware of strong arguments in favour of requiring the S. Wales line to be on the narrow gauge, but that for the purpose of a second competing route to Ireland it would be advisable that it should be on the exceptional gauge." Those reasons no longer exist, and the importance of a thorough and uninterrupted communication with the north must be apparent.

Submitted by Messieurs Captain Warrington, Rev. D. Robinson, W. G. Frechold, C. E., and J. Galini, the committee of shareholders on the S.W.'s Co.

By Order,

Charles Nash, H. Sec.

52, Parliament-street, 1849, Dec.

Enclosure 4, in (No. 28.)

WATERFORD, WEXFORD, WICKLOW, and DUBLIN RAILWAY COMPANY, (and connection with the SOUTH WALES RAILWAY COMPANY.)

FURTHER REPORT of the COMMITTEE of SHAREHOLDERS.

THIS committee, unanimously appointed at a general meeting of "shareholders," has been actuated by the single desire to benefit the general body, three-fourths of whom resent the "directors'" proceedings, and have worked (without personal profit to themselves) on the faith of being supported by the whole of the independent shareholders. Personally, as alleged "shareholders," they were not desirous to shrink from any risk or liability which a fair administration of the Company's affairs might have entailed upon them; but, in common with the mass of their alleged "co-partners," they were not disposed to tamely submit to the consequence of injudicious mismanagement. Conscious, therefore, of the integrity of their motives, they are entitled to command the support of the shareholders, and to disregard any misrepresentation from the organs of the directors.

The present opposition has already led to the directors conceding a portion of what was asked, in a reduction of salaries, and an offer to reduce the shares and the line, but which can only be regarded as desirous.

This committee have also endeavoured to interest the other Companies and committees on the affairs of the South Wales and Great Western lines on this subject; and have, since their last Report, continued their anxious consideration to the position of this Company, and collected further information, of great importance to the shareholders, and useful to the public interests in railway affairs.

Since the former Report of June last was made, (1st.) actions have been brought by the alleged "directors" against alleged "shareholders," to recover "calls" in arrears; (2d.) proposals have been made by the "directors" to shorten the line and reduce the share capital, the applications for which they are making to Parliament, at an expense of 2,000 *l.* which might have been avoided.

The desire of this committee having been to promote a "dissolution" (as apparently the best termination to the Company, having regard to the proceedings of the directors), or to adopt such other course as may mitigate the loss and liability of the shareholders, obtain a reform of the "share register," and a direction in which they may have confidence, they have submitted the following resolution to the directors:—"Nov. 2, 1849:—"

"That the engineer of the Company and the engineer of the committee be required to confer, and to report to the shareholders, as to the utility of carrying out a portion of the line between Dublin and Wicklow, with power to them to nominate a third, whose report, in case the other two differ, shall be the one recommended for adoption by both parties; and that if the report be in favour of any portion, then the 'associated committee' will urge its adoption. If the report be against the completion, then the Company to be amicably wound up, and in a mode to be agreed upon by the same persons."

This reasonable offer, as well as former suggestions for an amicable settlement or discussion with the directors, has received no reply; though made in the best spirit, it is still under consideration.

The adoption of any of the three courses open to the shareholders must tend to promote their general interests and a dissolution, namely, (1) to defend the actions for calls, and, by proceedings, compel an investigation of the directors' conduct; (2) to oppose the directors at the meetings; (3) and in Parliament. There is a fourth, which can only be adopted *extrajudicially*, namely, to pay up the arrears, submitting so far to the directors; but then, by means of a majority of paid-up shares, to effect a change in the direction, and so promote the general wishes of the shareholders, or secure the winding-up of the Company.

The second and third courses entail only the contribution of very little time by the registered shareholders, and it must be manifest that the greater the amount of co-operation the greater the chances of success to the committee's labours, and the objects in view.

I. With regard to the first, the actions for calls, they have been, and will be, defended in terms of the "Circular Letter" of 24th June 1849; that is, a sufficient number must co-operate

co-operate therein to obtain one decision, which will benefit nearly 1,000 persons, with 81,000 l. of arrears. The committee has succeeded in measures whereby one action only has been allowed to proceed, and other proceedings for calls have been stayed in the meantime; thus, if a fair decision be obtained in one case, it will be a guide to all the "registered shareholders," at a trifling cost, provided they co-operate.

Pleas of fraud, and impeaching the legality of the Company, the validity of the share register, the right to register original allottees against their will, and the refusal to register the holders of scrip in 1846, whose property was confiscated, have been allowed by the judge, although twice opposed by counsel for the directors, and supported by Mr. Nash for the shareholders.

Under those pleas, the various matters brought against the direction in the former Reports will obtain full scrutiny. Investigation will be judiciously made into the facts connected with the allotments, in 1845, of above half the total shares to directors and their friends; the reservation of nearly 4-10ths, although announcements were put forth that all were allotted; the friendly signatures for thousands of shares in 1846, after the panic; the transferring of thousands of shares on to the corporate funds of the "South Wales Company;" the using illegal shares and votes for the Parliamentary meetings of 1846; the borrowing of capital of other railways, unknown to the shareholders; the lending of capital by this Company to other Companies; and the passing of the Act by these means. Then the attempts, in 1846, of independent shareholders to dissolve this Company, defeated by refusal to register "holders" of scrip, and by the registration of (unwilling) "original allottees" who had sold their scrip; the buying up of their shares; the buying up (by officials of the three Companies) of scrip and shares; the buying off of votes and proxies from the opposition, and of transfers, on indemnities by directors and officials of the Company; the registration of shares colourably and improperly; the hiring of registered shareholders to attend and support the direction at the meetings of February, 1847. All these circumstances, and the means whereby bad fiduciary shareholders were overpowered; a majority for the continuance of the Company secured at the meetings; and the sealing a "register of shareholders," will be developed. As also the refusal of access to the "register;" the refusal of the names of shareholders and scrip-holders interested in those proceedings; the using of capital of the South Wales Company for shares, in 1846, which accomplished the above purpose of over-powering the shareholders; the procuring, in 1848, an Act for "future subscriptions," and the "permanent appointment of directors by the South Wales Company," although no "future subscription" has ever been forthcoming; the "guarantee" agreed to be given by the Great Western Railway Company to the South Wales Company for their shares and interest; the expenditure of capital; and the other matters in this committee's former Reports regarding the management of this Company, will be investigated.

These pleas, therefore, are most important, as opening up the whole "transactions" of the Company; yet the directors intimated an intention "not to proceed with that action, on account of the pleas, but to commence other actions against other shareholders" for calls; this committee cannot, however, believe that any substantial advantage will result to the directors from that course, but the reverse.

As a decision can be obtained which will affect 81,000 l. of arrears, owing by nearly 1,000 persons, the importance and advantage of this contest to each registered shareholder cannot be overrated. The committee and their advisers have throughout worked gratuitously, to benefit the general body; they will continue to do so; but a "defence fund" is necessary, for no other purpose than to provide the expenditure and cash outlay of the committee therein, indemnify the defendants in the actions, and ensure a decision. Although a large number have already subscribed, and agreed to unite therein, the committee has not hitherto had occasion to use such funds, as it is their intention to set up to the terms of the circular of 9 June 1849, and to trust for the appreciation of their endeavours to the co-operation of the registered shareholders, under the ample protection which the circular offers to all contributors, and the advantages of a decision in the year 1851.

II. With reference to the "Directors' Proposal," it has been fully dissected by Mr. Nash, in its financial results, and his "Report" appears completely to dispose of that attempt to prop up this Company, and legalize the proceedings of the directors which are in question. Although this committee have been refused all access to the books and documents of this Company, and to inspection of the agreements of this Company with the Kingstown Company, and with the South Wales Company (who control and most materially affect your interests), and all information, the directors are proceeding to Parliament to legalize that delusive "proposal."

By the "Proposal" in question, the directors require (1), that all the "arrears" (81,000 l.) on 87,000 shares be paid up, to make 3 l. each; (2), that the 75,000, the total registered shares (which paid deposits in 1845), pay up to 10 l. per share, in order to raise 425,250 l., besides stock and Kingstown contract, for a line to Wicklow, on which only 52,300 l. had been spent.

The investigations reported by Mr. Nash show that above 30,000 of the 87,000 shares in arrears cannot pay; that all, or nearly all, the rest will not voluntarily pay, even if they can. In short, that the 75,000 are reduced (by transfers to paupers, by agreements with the Company and their agents, by poverty, absence, &c.) to less than 10,000 registered shares in solvent names (besides the South Wales Co.'s 11,300 conditional shares); also that the directors of the three Companies and their friends do not hold, personally, 2,000 shares, although in 1848-9 they had taken (in shares and allotments) amongst themselves and their officials, connections, and co-directors and friends, to the extent of above 60,000 shares; that

that the total who paid up original allotments from June 1845 to June 1846, was only 68,601 shares; that the total (including the South Wales Co.'s shares) reported as having paid the first deposit, and as registered, was 70,186 shares in December 1846, and in 1849.

The particulars are so important that they are subjoined, and powerfully illustrate the management of railways, and the system to which shareholders have been victims hitherto.

The S. W. Co. subscription was passed in 1848, as a "future one of 12,500 shares to be guaranteed to them by the G. W. R. Co." But this Co. has had no accession of subscribers; and an investigation shows that the shares were "taken up" in 1848, for the purposes of the contest then existing. At the February, 1848, meeting of the shareholders of the "South Wales Co.," Mr. Russell "admitted that the agreement with the South Wales Co. for the future subscription of a quarter of a million to our capital, provided that no more calls should be made on them unless the S. W. Co. showed the means of going to Wexford;" and in June 1849, the South Wales Co. certified to Parliament that "means had been taken to stop the works of the S. W. Co., and the further contribution of that Company to it; yet, at the August, 1849, meeting of this Company, a correspondence was reported by our directors with (themselves) the "Board" of the South Wales Company, "agreeing to the present proposal, subject to the assent of the South Wales and the G. W. R. proprietors." But, at the subsequent "South Wales" meeting (August 1849), one of this committee brought the subject before the shareholders of that Co., whereupon the chairman interrupted him by the statement, that "the proposal had been laid before the G. W. R. 'Board,' and rejected by them, and therefore it fell to the ground," and honourably declared his independent opinion to be against the scheme from the first; yet the directors of the S. Co. (for the same persons are directors and solicitors of all) have taken steps and are proceeding to Parliament to legalize their proceedings, and the proposal before mentioned, notwithstanding their secret and illegal agreements. 4.8 per share has been charged to the S. W. Co., although it was well known before the Act of 1848, that this Co. never could show the means of getting to Wexford.

This committee have also communicated with the committees appointed by the South Wales and Great Western shareholders, and urged these facts upon their decision; they find it necessary to pursue it until it is properly investigated, uninfluenced as they are by any interest in the other companies concerned, and conscious that there is sufficient integrity and honourable principle in Parliament and the press to ensure a just decision on the proceedings and motives of the directors of these Companies.

It is plain that the financial state of this Company will not carry out the "proposal," or accomplish one-half of it. It is also understood that the South Wales shareholders will object to do so; and that the Great Western shareholders will object also. Moreover, *What is the line sought now to be made?* It is along a sea-beach, "with mountains on one side, sea on the other," serving a few fishing villages. If the whole population served (8,000) should travel every third day, they would only pay the "working expenses;" and the state of Irish lines in work (the Waterford and Limerick, for instance) may be referred to as instances of working results, and the worth of Irish railways.

III. With reference to opposition at the meetings, and the Parliamentary proceedings, it is also essential that these facts should be developed, involving, as they do, important public principles; and that the shareholders should (by their presence or vote, no other sacrifice being required) support this committee whilst "protesting against the legality of the directors' acts, and denying all liability."

IV. In the meantime, it is to the interest of every scrip and shareholder to communicate to this committee his sentiments hereon, and the particulars relating to his shares and scrip; much benefit will accrue to him and the general body by so doing: in the absence of that co-operation, the committee will conclude that each such shareholder will himself look to his own protection.

Under protest against the legality of the Company, its acts, and the acts of the "Directors," and without prejudice to the alleged shareholders, and denying all liability,

By order of	Capt. T. Warrington, Rev. D. Robinson, J. A. Gallini, W. Yates Fredey, C. Z., Chas. Nash (Hon Sec.),	} Honorary Committee. Nov. 1849.

55, Parliament-street, London;
where Requisitions and Petitions will lie for Signature,
without Expense to the Signers.

Appendix I.

Statement of Railway Management by persons who are on the Direction of several Companies, and as material for the consideration of the Shareholders, the following Analysis of the Allotments and Disposal of Shares in the S.W. Co. is presented. It will be seen that whilst in 1845 the General Public only obtained from 1 to 50 Shares, the Directors and Officials and their connections obtained many thousands each, though not holding 1-30th of them now.

The "actual Receipts of Deposits" on Shares up to June 1845, taken from the Directors' Return, is (for 12 months) 63,691
 Or little more than one-half the number of Shares. £10,461 10 6

The "Share Register" and Directors' Accounts (1845-6) show the Total "Shares Registered" and "Deposits paid" upon 75,199
 Which include the Plottings or Financial Subscribers in 1845, for - - - - - 14,113 Shares; or, together, 25,875
 And for 9,825 (on 3-6ths of 12,500), afterwards traded in 1845 as - - - - - 11,290 " " "

REAL ALLOTMENTS in 1845 out of 100,000 Shares, only - - - - - 42,311

	Allotments, &c., 1845.	Signed in 1845 for Shares (A.)	Signed in 1845 for (B.)	Total Shares.
7 Directors Committee, &c., of S.W.'s (also Directors of the G. W. R., South Wales, South Devon, Bristol and Exeter, Oxford and Wat- terhampton, Birmingham and Oxford (S of the Cork and Water- ford), and other Companies) - - - - - took	{ 1,442 n p 310 }	2 for 2,112	- - -	9,871
8 other Directors of G. W. R. &c. - - - - -	{ 80 n p 212 }	- - -	- - -	325
1 Director of ditto - - - - -	none.	- - -	- - -	-
12 Directors of South Wales Co. (Provisional Committee, &c., of S.W.'s in 1845), including 1 Cork and Waterford - - - - -	{ 1,078 n p 624 }	2 for 1,900	1 for 750	4,962
5 Ditto took none - - - - -	none.	- - -	- - -	-
4 Directors of So. Wales Co., and "Directors" of S.W.'s Co. (45-48) - - - - -	676	4 for 2,500	1 for 1,000	5,378
2 Directors of South Wales and S.W.'s Co. - - - - -	none.	- - -	- - -	-
2 South Devon Co. Directors, and Solicitor - - - - -	675	- - -	- - -	875
2 Bristol and Exeter Directors, and P. C. of S.W.'s (90 n p) - - - - -	85	- - -	- - -	85
2 Bristol and Exeter Directors, and P. C. of S.W.'s Co. - - - - -	200	- - -	- - -	200
2 Ditto and G. W. R. Directors, and P. C. of S.W.'s - - - - -	none.	- - -	- - -	-
Mr. Rafferty and 3 Officials, of "Ox. Wom. and Wolverhampton" - - - - -	- - -	2,000	- - -	2,000
Solicitor of ditto - - - - -	n p 80	- - -	- - -	80
Director of "Winds. & Weymouth," Auditor of S.W.'s (and his brother) - - - - -	100	- - -	- - -	100
- - - - -	9,825	9,113	2 for 1,750	17,699
5 P. C., afterwards "Directors" of S.W.'s Co. - - - - -	902	1 for 500	2 for 2,500	3,902
24 P. C. of S.W.'s Co. (Local Landowners, &c.), including 2 more "Cork and Waterford," (120 n p) - - - - -	2,812	1 for 80	2 for 1,000	3,282
11 Local "Provisional Committee" took - - - - -	none.	- - -	- - -	-
6 More "Cork and Waterford Co." Directors - - - - -	1,050	- - -	- - -	1,050
- - - - -	12,518	10 for 4,500	7 for 2,750	27,718
Connections, &c., of Directors of S.W.'s Co. - (known)-(130 n p)	5,702	- - -	5 for 2,500	6,522
Ditto - - - - - (unknown)	- - -	- - -	- - -	-
11 Officials, Auditor, and Connections of So. Wales Directors - (known)	710	2 for 600	- - -	1,410
Ditto - - - - - (unknown)	- - -	- - -	- - -	-
Officials, Auditor, &c., of G. W. R. Co. - - - - - (known)-(1,145 n p)	10,853	- - -	- - -	10,853
Ditto - - - - - (unknown)	- - -	- - -	- - -	-
18 Officials, Solicitors, &c., of S.W.'s Co. - - - - - (known)-(200 n p)	1,800	6 for 3,000	6 for 1,125	6,825
Ditto - - - - - (not yet known)	- - -	- - -	- - -	-
Shares - - - - -	29,568*	14,113	{ 9,575 paying 2,16,750 }	32,433
Three three Columns made to Directors and Officials - - - - -	- - -	- - -	- - -	-
Add.—Officials to make up the (12,500 or) 11,500 Shares to "S.W. Co." in 1845; of which only 9,825, included above, say to make the 11,500 Shares - - - - -	- - -	- - -	{ 1,825 11,500 }	1,825
- - - - -	- - -	- - -	- - -	54,258
To other Friends (names not irregularly of Directors and Officials) and add Cos., other Members of Parliament (not included above), Officers of Parliament, &c., some thousands, but say only - - - - -	5,000	- - -	- - -	5,000
To Members of the Press - - - - - (above)	500	- - -	- - -	500

Thus making a Total to Directors, Officials, and known Connections of about 60,000 Shares.

To rest of Public (unknown) in Allotments of 1 up to 50 Shares,—
 So as to make up the "Total Allotments" in 1845 of 72,394 Shares, or the Shares "paid up" to June 1845, of only 63,691
 (including above, column 1)
 Or to make up the Total Registered Dec. 1845-6, as paying "Deposits," of only (including columns 1, 2 and 3) 75,199

(The Names will be given in next Report.)

Gentlemen,

* Of the above 29,565, above 5,000 never paid upon their "Allotment Letters," and the letters n p point out some of those who did "not pay," but were returned as "Defaulters" up to June 1845.

Office of Commissioners of Railways, Whitehall,
4 January 1850.

Gentlemen,

I HAVE been directed by the Commissioners of Railways to acknowledge the receipt of your letter of the 3d instant, &c.

I have, &c.

(signed) *G. Godolphin Osborne,*
Ass. Sec.

Messrs. Lewis & Nash.

(No. 339.)

Sir, 52, Parliament-street, 31 January 1850.

THE Committee, and some other shareholders in the Waterford, Wexford, Wicklow and Dublin Railway Company, are anxious to bring before the Commissioners of Railways their views, and desire to support a Bill for the dissolution of Incorporated Companies, and solicit that the Commissioners will receive a deputation thereon at their convenience.

We have, &c.

To Captain Harness, R. E. (signed) *Lewis & Nash, P. A.*
&c. &c.

(No. 103.)

Office of Commissioners of Railways, Whitehall,
1 February 1850.

Gentlemen,

I HAVE been directed by the Commissioners of Railways to inform you, in reply to your letter of yesterday's date, requesting an interview on the part of the Waterford, Wexford, Wicklow and Dublin Railway Company, that the Commissioners think it desirable a written memorial on the subject referred to, and signed by the parties interested, should be presented to them in the first instance, by the contents of which they will be better able to judge of the necessity for seeing those parties.

I have, &c.

(signed) *H. D. Harness,*
Capt. Roy. Eng.

Messrs. Lewis & Nash.

Waterford, Wexford, Wicklow, and Dublin Railway Committee,
52, Parliament-street, 7 February 1850.

Sir,

We beg to hand you a full Return to the Order of the House of Lords of May 1849, as to Railways, &c.

We have the honour to be
Your obedient Servant,

To Captain Harness, R. E. *Charles Nash, Hon. Sec.*
&c. &c.

RETURN OF THE SHARE CAPITAL, &c. OF THE COMPANY.

WATERFORD, WEXFORD, WICKLOW, AND DUBLIN RAILWAY COMPANY.

ORDER OF THE HOUSE OF LORDS.

ANSWERS.

1. Return of the Share Capital of every Railway in the United Kingdom.
2. The Capital authorized to be raised by their Acts of Parliament.

Nominal Capital, Two Millions, under first Act incorporating the Company, 1846, in 100,000 Shares of 20 l. each; Deposit, 30 s.
Under second Act, 1847, the Company authorized to proceed with portions of the Line; and, "when One and a Half Millions (75,000 Shares) shall have been actually subscribed for, to exercise all the powers of their Acts for construction of Railway."

By a third Act (1848) the "South Wales Company" was authorized "to subscribe for 15,000 Shares in this Company, and nominate a Majority of the Directors." The latter has been done. No additional subscriptions have been made to this Company's Capital, but 11,200 Shares stand in the names of Three Directors, subject to "Conditions for making no more Calls upon them, nor unless this Company showed the means of going to Wexford,"—an idea long since abandoned.

(a) The "Register of Shareholders," though nominally containing 75,180 Shares, yet being so composed as to have exhibited in June 1849 only 18,000 paying the last Call (made February 1848), and 57,000 in arrears of calls, the Directors proposed (Report and Meeting, August 1849), "to reduce the Line from 150 miles to 28 miles, and to absolutely reduce the Capital to Half a Million, by consolidating three 20 l. Shares into two of 10 l. each." A Bill has been introduced into Parliament (1849) to "shorten the Line, and to call up 10 l. on each Share, and when Half a Million (being 50 l. each on 20,000 Shares) shall have been realized, not to make more Calls of Capital without consent of a majority of Shareholders at a general meeting."

The Capital authorized to be raised is Two Millions, besides 695,000 l. on "Loan," when half of the Capital is paid up under the first Act.

(b) The "Subscription Contract" deposited in Parliament, Session 1846, for Three-fourths of the estimate of Two Millions, or 75,000 Shares, including original allottees of 1845, June, for

(Of the June 1845 allotments, there were)	6,000	"
4,000 not signing contract	"	"
And 9,250 allottees not paying)	9,250	"

It also included holders of "Allotment Letters," for

friendly and other subscribers (2d and 3d Columns (A.) of Appendix I.) about	20,000
Original allottees, further	"

Thus making up the Three-fourths of estimate (100,000 Shares), or 75,000 Shares required by the "Standing Orders."

Total Shares 100,000

The actual Capital is thus disposed of:

(c) The "Allotments" were in June 1845:—

Total allotted up to June 1845, Shares	75,936
--	--------

(See Returns to Parliament, June 1848, under Sessional Resolutions, Appendix 3.)

In the Returns of "actual Receipts" from original allottees on allotments up to February 1848, the number paying was only

(who paid 30 s. per Share, or 25,401 l. 10 s. 0 d.)	61,001
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Thus exhibiting a deficiency of original allottees numbering 2,155 Shares; and that little more than half the Capital taken up before the panic

	2,235
--	-------

The "Return" shows that up to June 1846 these "Defaulters," in not paying on their allotment letters, were reduced by

388 to	8,979
--------	-------

Leaving "Original allotments taken up to June 1846"

(including Column 1, of Appendix I.) Shares	63,086
---	--------

(d) After the panic of 1846, Shares were signed for (1848) in Subscription Contract (Column 2, Appendixes A. and I.) to extent of

(*)	14,173
-----	--------

Which made up the Three-fourths required by the Standing Orders of Parliament existent in Session of 1846.

(e) In 1848 Shares were signed for (Column 3, Appendix I.) for 2,375 Shares (as Three-fourths of 15,000 Shares for the South Wales Company), which were afterwards increased to only

(*)	11,500
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ORDER OF THE HOUSE OF LORDS.

ANSWERS.

Answer to Questions 2, 4, 5—continued.

2. The Number of Shares issued, and Number allotted to each Director, Committee-man, or other Person connected with the Company.

4. Amount of each Share.

5. Number of Shares reserved, and for what Purpose, and how disposed of, and to whom.

(f) The total Shares returned as paying in to the Funds the first Deposit of 30 s. up to December 1846, and so on to December 1849, are - - - - - 75,186
Which include the above - - - - - (14,178) 55,373

So that the real allotments in 1845-46 were not more than 40,811
Out of - - - - - 100,000

(g) As the "Parliamentary Deposits" required was 10 per cent., or - - - - -	£.	s.	d.	
and the "Returns," 1846, showed only gross Receipts at date of Petition for Bill, 6th February 1846, of - - - - -	120,000	-	-	{ being 30s. per Share on 100,000 Shares, on "Allotments,"
there was a deficiency in that respect alone of 34,208 9 6	83,401	10	6	and as part of the Deposits had been used for "Expenses" there was a De-
to extent (to February 1846) of - - - - -	12,425	12	11	
Deficiency for Parliamentary Deposits of 67,024 2 5	67,024	2	5	as per Seasonal Re-

(h) That deficiency of cash, to enable the Promoters to comply with the Standing Orders, was met by "Loans" from other Companies; i. e.

From Great Western Railway Company	£.	s.	d.
From the Oxford, Worcester, and Wolverhampton Railway Company	8,000	-	-
From the Kingstons Railway Company	10,000	-	-
	12,000	-	-
	30,000	-	-

Added to "Deposits received on Allotments" - - - - - 93,401 10 - only,

Making a Total Cash Receipt of - 123,401 10 - only,
applicable to Expenses, and the Parliamentary Deposits of 150,000 l.

Further Loans were obtained from other Companies to make up the Deposits. Those Loans were repaid after the Act had passed, with interest, as appears by the Returns under the "Seasonal Orders of 1846."

The Names are stated in "Appendix A." "Appendix L" contains the Totals, showing that—

The Provisional Directors, Committee-men, Committee of Management, &c. obtained the following total "Allotments" and "Loans" of Shares:—

	Allotments, 1845. (Col. 1. App. L.)	Signatures, 1846, for Shares. (Col. 2. App. L.)	Signatures, 1846, for Shares. (Col. 3. App. L.)	Total.
Directors and Committee - - -	12,318	9,873	6,790	27,981
Officials and Committees of Company - - -	16,347	4,450	2,625	24,422
Officials, &c. further, to make up the 11,200 Shares for the South Wales Company, 1848 - - -	28,865 in 1845.	14,118 in 1846.	9,975	52,458
	- - -	- - -	1,835	1,835
			11,200 in 1848.	
			Total Shares - - -	84,558

to Officials, &c. of the Company, out of the 75,186 registered as paying the Deposit of 30 s. per Share on Three-fourths of Capital February and December 1846, and as Shareholders in December 1849.

ORDER OF THE HOUSE OF LORDS.

ANSWERS.

3. The Number of Shares issued, and Number allotted to each Director, Committee-man, or other Person connected with the Company.

4. Amount of each Share.

5. Number of Shares reserved, and for what Purpose, and how disposed of, and to whom.

Answer to Questions 3, 4, 5—continued.

(f) The "Shares forming the Capital" of 100,000 Shares are thus explained and disposed of:—	
Shares to Directors, Officials, &c. (in Accounts up to December 1846.) (Cols. 1. 2. 3. App. I.)	54,338
Add other Shares allotted (to the Public)	9,260
To make up the Total of February 1846, "paying First Deposit," mentioned in "Seasonal Return, 1846," as "allotted"	63,598
Other Shares allotted and "issued," but not paid upon, (by original allottees or purchasers of their allotment letters,) to June 1846	70,255
to make up the "total allotments" returned to Parliament in June 1846 of	73,956
The "Reserve" Shares, taking them, not at time of general allotment in June 1843, but at time of Seasonal Return, 1846, June, were therefore (besides the *9,260 not paid upon)	37,644
Thus making up the total Shares into which Capital divided of	100,000

(A) Brought down the total Allotments returned to Parliament, 1846 (paid and unpaid)	72,300
In December 1846 and December 1849 the Directors' Accounts to their Shareholders showed total Shares paying First Deposit of 90s. to be 112,786, or Shares 75,186. It follows that after June 1846 this number were paid upon	9,200
Making the actual subscription, 1846-49, (including Cols. 2 and 3, and the South Wales Company's Subscription,) as per Directors' Accounts and Shareholders' Register	75,186

(N.B.—Not one-fourth of these exist, or are in responsible hands.)

6. When the Calls on each Share became due.
7. When received.

Calls became due as follows:—			
The Deposit of 30s. per Share on 16th July 1845.	Shares.	£.	s. d.
Paid up to February 1846 by only	63,598	or	25,401 10 -
Paid up to June 1846 by further	365	or	277 10 -
So as to make up	63,963	or	25,679 - -
Subsequent Payments up to December 1846 (South Wales Company's, Col. 2. App.) to 1849	11,260	or	16,800 - -
Making up the total Deposits of December 1846-49	75,223	paying	112,786 - -
Second Call of 10s. made 20th Feb. 1847.			
Paid up to January 1848 by (including South Wales Company's Shares)	23,800		11,893 16 -
Further Payments up to Midsummer 1849	9,416		1,228 - -
Making Total of	33,216	paid	13,121 16 -
Third Call of 90s. made March 1848.			
Paid up to Midsummer 1849 by (including 11,200 South Wales Company's, Col. 2. App.)	18,137		15,107 - -
Advances on Shares			810 - -
Total Receipt of Capital to July 1st, 1849			144,106 16 -
N.B.—To complete the Line, Kington to Wicklow (33 Miles) the Engineer estimates will require		£.	s. d.
Of which there has been "expended in Land and Works, &c."		82,191	13 7
Leaving to be provided		369,087	4 6
Besides Costs of the Company, Management, &c.			

The Share Register exhibits (as above) only 16,000 responding to the Calls, most of whom paid and transferred.

(continued)

ORDER OF THE HOUSE OF LORDS.

A N S W E R S.

8. The Capital or Monies raised by each Railway in the United Kingdom on Loan, or on the Security of their Debentures, or otherwise.

Having to make the Parliamentary Deposits of 75,000 £ and 75,000 £, and having expended 15,425 £ and 15,425 £ for expenses out of the 95,401 £ received, in 1846 the Directors of this Company borrowed on Loans, to enable it to comply with the Standing Orders of Parliament, and to obtain its Act of Incorporation, from the following Companies, some of whose Directors were also Directors of this Company, the following sums:—

Of the Great Western Railway Company	- £. 8,500
Of the Oxford, Worcester, and Wolverhampton Company	- " 10,000
Of the Kingstown Railway Company	- " 12,000

To assist in Deposit for Commons - £. 50,000 (App. B.)

After making that Deposit of 75,000 £ a further 75,000 £ was required for the Loans.

Other Loans were also made, to enable this Company to comply with that 10 per Cent. Deposit required by the House of Lords, of above 30,000 £ at Interest. These private Loans were repaid when the Bill had been obtained, and the Deposits were received back.

At this period the original Shares had only paid Deposits upon Six-tenths of the total Shares of the Company, from which had been deducted said 15,425 £, and 15,425 £ towards "Expenses;" whereas the total of the Deposit, 20 s. on the total Shares (100,000), was required for the Parliamentary Deposit of 150,000 £ alone, and only 95,401 £ 10 s. had been the "gross Receipt from the Shareholders" at that time.

9. When such Debentures were issued.
10. Date of Act of Parliament sanctioning such Issue of Debentures.
11. Amount of each Debenture.
12. Rate of Interest paid to the Lender, and any other Terms agreed on for the Purpose of raising Money.
13. Term for which such Loan was made.
14. Commission or other Sum paid by the Railway Companies to the Broker or Agent for obtaining Loans on the Security of Debentures, or otherwise.
15. Cost of Construction of each Railway and each Branch Railway, exclusive of Land Purchases, Parliamentary Expenses, and Law Charges.
16. Law Charges, and stating whether taxed or not.
17. Money expended in Purchases of Land and Property, distinguishing the Expenses and Charges from the Price of the Land.
18. Parliamentary Expenses.

No Debentures were issued.

No Act of Parliament was obtained, these transactions being private between the Directors only of the two Companies.

No Debentures given.

Interest at the current rate of 5 @ 6 per Cent. paid. The Directors of some of the Companies signed the Subscription Contract as if for Shares (Cols. 2 and 3, App.)

Until Bill passed, and deposits obtained back.

The ordinary Commission to Bankers paid for Loans through them.

Up to June 30th, 1846, the "Payments" for Cost of the Works have been (including Incidentals)—Two Millions in hand—41,000 £ 3 s. 3 d.

Law Charges since Incorporation, besides those charged under the other Heads (not taxed), 6,938 £.

Land and Compensation and incidental Law Charges not separated in Accounts, 11,311 £ 10 s. 4 d.

The Expenses of the Act of Incorporation were - £. s. d.
- 41,534 2 -

The Items are not separated in the Accounts, but the following is a Summary of them:—

	£.	s.	d.
Parliamentary Agents, Fees to the House, &c.	-	2,321	- 11
Parliamentary and Law Expenses, Witnesses, &c.	12,250	-	-
Engineering Expenses, Admiralty, Cost of Opposition, &c.	-	673	2 -
Engineering Expenses	-	10,755	4 3
Traffic Estimates	-	352	3 7
Advertising and Printing	-	972	11 1
Travelling Expenses	-	650	5 -
Office Expenses, &c.	-	2,943	13 9
Bank Commission on Deposit for Parliament	-	357	10 -

Paid to December 1846 - - - 35,414 10 6

Paid December 1846 to June 1847 - - - 6,519 11 5

£. 41,934 2 -

Parliamentary Charges up to Incorporation are included in "Cost of Act," 41,934 £ 2 s.

Parliamentary Charges since Incorporation, besides Charges included in Land, Works, &c., are included in above, No. 16.

ORDER OF THE HOUSE OF LORDS.

ANSWERS.

18. Parliamentary Expenses.

Answer to Question 18—continued.

This Company has also paid, since Incorporation:—

	£.	s.	d.
To Kingstown Company, Cost of their Act for their "Extension to Bray, &c., 1845" - - - - -	7,800	-	-
Office Expenses since Incorporation, to 30th June 1846 (on account), including Directors 1,000 l. a Year, Secretary 1,200 l. a Year - - - - -	8,311	2	4
Advertising, &c. - - - - -	1,044	9	3
Travelling Expenses, Directors, Secretary, &c. - - - - -	464	7	9

The gross Expenditure of the Company has been, up to 30th June 1846 - - - - - 180,837 3 7

19. Engineers' Charges.

20. Cost of Railway Plant.

21. Amount entered in each Year's printed Account for Depreciation of Plant.

22. Total annual Receipts from Passengers or Goods from the first opening of any Portion of the Railway.

23. Total annual Expenditure contingent on the working of the Railway, exclusive of the Interest paid to the Debenture Holders and others.

24. Mode by which the fixed Dividends which have been paid to the various Shareholders were ascertained.

25. The Loans made by each Railway Company to any other Railway Company or Person, to whom and when, at what Rate of Interest, and when repaid.

26. Amounts of Subscriptions paid and agreed to be paid, and Guarantees given or agreed to be given, of Capital or Interest, by any Railway Company or Person to any other Railway Company or Person; when paid or given or agreed upon, and for what Purpose; of whom the Shares were taken.

27. The Date of any Act of Parliament, or the Powers and Authorities of every Railway Company to subscribe to or hold Shares or Interest in any other Railway Company, and to what Extent.

Engineers' Charges up to Incorporation included in "Cost of Act." Data, since Incorporation, to June 1846, on account, 6,311 l. 2 s. 4 d.

Not applicable.

Interest to the Shareholders, at Four per Cent. on Calls paid, has been allowed up to June 1846, but not paid since.

The "Balance in hand, June 1846," was nominally only 13,305 l. 13 s. 4 d., as stated in the Accounts submitted at the Meeting, but of which 5,600 l. was set on private Loan to the Great Western Company,—a Balance of a larger Loan, beginning in 1846, at Four per Cent. only. The same remark applies to each printed half-yearly Account from December 1846, submitted to the Shareholders.

In 1846 this Company lent to the Great Western Company above 51,015 l. at Four per Cent. The same Directors were on the Board of each Company, and these Loans were unknown to the Shareholders, and not set forth in the "printed Accounts."

Also a further Loan of 10,000 l. at Five per Cent. These Loans were reduced by gradual instalments spread over Three-and-a-Half Years.

By an Agreement made 1846-47 this Company is to lease the Kingstown Line and Dalkey Line at 35,000 l. a year:

Also to pay that Company a Moieties of the gross Receipts above 55,000 l. a Year.

This Company also to take the Dalkey Atmospheric Plant;

To widen the Gauge of the Kingstown Line, &c.:

To take the stock of both Companies. (Cost 42,000 l.)

This Company also paid them their expenses of their Bray Act, 7,300 l. The average Receipts of the Kingstown Company has been about 1,000 l. a Week, or 52,000 l. a year; the Expenses about 66 per Cent., or 400 l. per Week, or 24,000 l. per Year.

By Statute 11 & 12 Vict. c. 99, 1843, the South Wales Company were authorized "to subscribe for 12,500 Shares, or 250,000 l., in this Company, and to nominate a Majority of the Directors of this Company."

The Nomination has been made, but that "Company" is not entered in the Register of Shareholders of this Company, nor any further Payment for Subscriptions, nor any further Shares taken, than returned in December 1846.

The 11,300 Shares mentioned (Col. 2) above are entered in the "Register" in the names of Three individual Directors of the South Wales Company.

It is also said that those Shares are only taken on "Conditions," and that no further "Calls" can be made upon them.

Charles Nash,

Secretary to the Waterford, Wexford, Wicklow
and Dublin Railway Company Committee
of Shareholders.

Appendix I.

The "actual Receipts of Deposits" on Shares up to June 1846, taken from the Directors' Return, is (for Twelve Months) 25,401 l. 10 s. 6 d. on - - - - - Shares. 63,801

Or little more than One-half the Number of Shares.

The "Share Register" and "Directors' Accounts" (1846-49) show the total "Shares registered" and "Deposits paid" upon - - - - - 75,180

Which include the fictitious or friendly Subscribers in 1846 for 14,375 Shares - - - - - } or together 25,375
And for 3,375 (as Three-fourths of 10,000) afterwards treated in 1846 as 11,300

Real Allotments in 1846 out of 100,000 Shares, only - - - - - 40,811

	Allotments, lrs., 1845.	Signed in 1846 for Shares (A.)	Signed in 1846 for (B.)	Total Shares.
7 Provisional Committee, lrs. of 3 W's (also Directors of the G. W. R., South Wales, South Devon, Bristol and Exeter, Oxford and Wolverhampton, Birmingham and Oxford (2) of the Cork and Waterford, and other Companies), took - - - - -	1,665 n.p. 316	2 for 2,313	- - -	5,071
8 other Directors of G. W. R. Loans - - - - -	88 n.p. 273	- - -	- - -	325
9 Director of G. W. R. Loans - - - - -	1,073 n.p. 674	2 for 1,500	1 for 750	4,800
12 Directors of South Wales Company (Provisional Committee, lrs. of 3 W's in 1845), including 1 Cork and Waterford - - - - -	1,073 n.p. 674	- - -	- - -	- - -
3 Dirs took none - - - - -	none.	- - -	- - -	- - -
4 Directors of South Wales Company, and "Directors" of 3 W's Company (65-48) - - - - -	875 none.	4 for 3,000	1 for 1,000	5,375
2 Directors of South Wales and 3 W's Companies - - - - -	875	- - -	- - -	875
2 South Devon Company Directors and Solicitor - - - - -	65	- - -	- - -	65
2 Bristol and Exeter Directors, and P.C. of 3 W's (50 n. p.) - - - - -	200	- - -	- - -	200
2 Bristol and Exeter Directors and P.C. of 3 W's Company - - - - -	200	- - -	- - -	200
3 Dirs and G. W. R. Directors, and P.C. of 3 W's - - - - -	100	- - -	- - -	100
Mr. Balliol and 2 Officers of "Ox. War. and Wolverhampton" - - - - -	100	5,000	- - -	5,000
Solicitor of lrs. - - - - -	n.p. 100	- - -	- - -	100
Director of "Wils. S. and Weymouth," Auditor of 3 W's (and 16 Trustees) - - - - -	100	- - -	- - -	100
5 P. C., afterwards "Directors" of 3 W's Company - - - - -	5,533	5,113	2 for 1,750	17,400
24 P. C. of 3 W's Company (local Landowners, lrs.) including 2 more "Cork and Waterford," 100 n. p.) - - - - -	5,533	1 for 500	2 for 2,500	5,000
11 Local "Provisional Committee" took - - - - -	1,000	1 for 25	3 for 1,000	5,300
0 more "Cork and Waterford Company" Directors - - - - -	1,000	- - -	- - -	1,000
Committee, lrs. of Directors of 3 W's Company (known) (820 n. p.) - - - - -	12,315	10 for 3,000	7 for 2,750	27,725
Ditto (unknown) - - - - -	5,720	- - -	2 for 2,500	6,220
12 Officials, Auditors and Connections of South Wales Directors (known) - - - - -	799	2 for 850	- - -	1,443
Ditto (unknown) - - - - -	16,935	- - -	- - -	16,935
Officials, Auditors, lrs. of G. W. R. Company (known) (1,143 n. p.) - - - - -	1,890	6 for 3,000	3 for 1,385	6,915
Ditto (unknown) - - - - -	- - -	- - -	- - -	- - -
18 Officials, Solicitors, lrs. of 3 W's Company (known) (800 n. p.) - - - - -	- - -	- - -	- - -	- - -
Ditto (not yet known) - - - - -	- - -	- - -	- - -	- - -
Shares - - - - -	20,000*	14,313	9,375 (paying 15,700)	- - -
These Three Columns make to Directors and Officials - - - - -	- - -	- - -	- - -	35,423
ADD: Officials as make up the (11,500 or) 11,300 Shares to "S.W." Company in 1845, of which only 9,313 included above, say to make the 11,300 Shares - - - - -	- - -	- - -	1,810	1,810
To other Friends (Names not unobtainable) of Directors and Officials of said Companies, other Members of Parliament (not included above), Officers of Parliament, lrs., some Thousands, but say only - - - - -	5,000	- - -	- - -	5,000
To Members of the Press (above) - - - - -	800	- - -	- - -	800

This making a Total to Directors, Officials and known Connections of about 60,000 Shares.

To rest of Public (Strangers) in Allotments of 1 up to 20 shares.

So as to make up the "total Allotments" in 1846 of 70,000 Shares, or the Shares "paid up" in June 1846, of only (including above Column 1) 63,801

Or to make up the total registered Dec. 1846-49, as paying "Deposits" of only (including Columns 1, 2, 3) - - - - - 75,180

(The Names given in next Appendix.)

* Of the above 20,000, about 5,000 were paid up on their "Allotment Letters;" and the Letters n. p. point out some of those who did "not pay," but were entered as "Defaulters" up to June 1846.

Appendix A.

Note.—"Pr." means Promoter; "P.C." Provisional Committee-man; "C.M." Committee of Management; "P.D." Provisional Director; "D.G.W.R." Director Great Western Railway Company; "S.W." Director South Wales Company; "D.W." Director of S.W.'s Company; "R.P." Registered Promoter.

Shares allotted and issued	In 1845, June Allotments taken up	63,034
	Not taken up to June 1846	8,672
	Total Allotments	71,706
	Total registered	73,186 shares

Including the following:

Officials of Waterford, &c., Company.	Shares allotted in 1845. (1.)	Shares signed for, 1845, after P.D. (2.)	Shares signed for, 1845. (3.)
Robert Fred. Gower, Merchant, London, Pr., P.C., C.M., P.D., D.G.W.R., S.W., D.W., R.P.	50	1,000	
Fred. Pratt Barlow, Attorney, London, Pr., P.C., C.M., P.D., D.G.W.R., S.W., D.W., R.P., Director of Cork and Waterford Company (and Family), C.	800	1,113	
Wm. G. Hayter, M.P., Pr., P.C., C.M., P.D., D.G.W.R., S.W., D.W., R.P.	125		
Sir Thos. Esmond, Bart., M.P., County Wexford, Pr., P.C., P.D., C.M., D.W., R.P.	50	1,000	1,000
John Crackswaite, Liverpool, Auditor of G.W.R., Director S.W.'s, Pr., P.C., P.D., C.M., D.W., R.P.	50		
Stephen Bam, Garry, P.R., P.C., P.D., C.M., D.W., R.P.	200		
Louis Vigars, of London, Merchant, Pr., P.C., P.D., C.M., R.P., D.W., Director Vale of Nenth Company, &c.	75	1,000	
Earl Courtown, Gorey, Pr., P.C., P.D., C.M., D.W., R.P.	50		1,000
Col. Acton, M.P., Wicklow, P.R., P.C., P.D., D.W., R.P.	100		1,000
Thos. Wyse, M.P., Waterford, Pr., P.C., C.M., D.W., R.P.	50		
Viccount Harrington, M.P., Director G.W.R. and South Wales Companies, P.R., P.C., C.M., R.P.	125	not paid.	
T. N. Hollingson, M.P., Kilsenan, Pr., P.C., C.M., R.P.	none.		
Viccount Donncannon, M.P., (now Earl Beaufort), P.C., C.M., P.D., D.W., Director Cork and Waterford Company	100	500	
And his family	40 & 30		
Daniel Tighe, County Wicklow, P.C., P.D., C.M., D.W.	250		
His Brother	50		
John McDonnell, Broad-street, P.C., P.D., C.M., D.W., S.W., Director of Limerick Valley Company		1,000	
Pat. Douglas Hadow, Regent's Park, P.C., P.D., C.M., D.W., S.W., Director Cork and Waterford Company	none.	500	
E. W. Mills, Banker (Glyn and Co.'s), Pr., P.C., D.G.W.R., S.W., R.P.	175		
Fred. Ricketts, London, Pr., P.C., R.P., Director G.W.R., Bristol and Exeter, and Cork and Waterford Companies	none.		
David Lewis, Stredy Llanelli, Pr., P.C., D.S.W., Director of Llanelli, Vale of Nenth, D.W., R.P.	125	paid.	
His Brother, Stephen Lewis, Meron, Regent's-street, Director Swansea Valley, South Wales, S.W.'s Companies	40	not paid.	
Thos. Maughan, M.P., Waterford, Pr., P.C., R.P., D.W., Director of Waterford and Limerick Company	475	1,000	
Capt. Robt. Owen, Marlfield, Gorey, R.P., Agent to Earl Courtown, Pr., P.C., R.P. (Land Agent to Company)	50		
1) His Brothers Richard and George Owen	50 & 150	50	
Viccount Stopford, Gorey, Son of Earl Courtown, Pr., P.C., R.P., D.W.	110		200
Chas. Tottenham, Co. Wexford, Pr., P.C., R.P.	5		1,000
James Power, M.P., Edinacree, Co. Waterford, Pr., P.C., R.P.	100		200
Miss Power, ditto	50	not paid.	
J. W. Mills, Banker, Bristol, Director of G.W.R., R.P.	none.		
Ralph Osborne, M.P., Co. Kilkenny, C.M., Pres. Director	500		
Earl of Beaufort, County Waterford (deceased), P.C., P.D.	none.		
D. A. S. Davies, M.P., P.C., Director South Wales, S.W.'s, Vale of Nenth Companies, D.W.	40	not paid.	

Provisional Committee-men.

James Gibbs, Bristol, Director Bristol and Exeter, South Wales Junction Companies	none.
Major John Boyd, Ireland	none.

	Shares allotted in 1845. (1.)	Shares allotted for, 1845, after Paid. (2.)	Shares allotted for, 1845. (3.)
R. S. Carey, M.P., Waterford	none.		
Col. Ludlow Owen, D.S.W.	20		750
William Watson, Bristol, Director Bristol and Exeter Company	50		
Edward Symes, Bayly, Ballyvaughan	5		
Thomas Barrowell, Bank, London	25		
His Brothers	100		
M. S. Beaumont, Co. Wicklow	100		
M. Beaumont, Ireland (Landowner)	none.		
Joseph Boyce, Dublin	none.		
Wm. Trudock Boskey, Co. Wicklow	100		
Lofus Anthony Bryan, of Dublin	10		
Lord Carey, Co. Waterford	50		
Thos. Carey, Co. Waterford	none.		
T. L. Dennis, Ireland (Landowner)	100	not paid.	
Robert Doyle, Co. Waterford (ditto)	none.		
Rd. Donovan, Camolin, Co. Waterford	20		
C. H. Doyle, Co. Waterford	200		
Jan. Galway, Cleland, Agent to Earl Bunsboro', Director of Cork and Waterford, Waterford and Limerick Companies	345		
John George, Barrister, Dublin	100		
John Maher, Co. Waterford, R.P.	50		
Hon. Somerset Maxwell, Landowner	none.		
Richard Morris, of Dunkettle, Cork	100		
His Brother, William Morris	50		
Grogan Morgan, M.P. Ireland	none.		
John Nunn, Ireland, Landowner	none.		
Sir John Power, Bart., Ekernine, Co. Waterford	50		
Chas. Pothol, Bay Head, Landowner	none.		
Jan. Goddard Richards, Gorry	10		
William Sherrard, of Killybegget	20		
J. Hyacinth Talbot, M.P., Ballytrent	50		
Jan. Talbot, Ireland, Landowner	none.		
Sir B. Morris Wall, Waterford	50		
<i>Other Directors of the Waterford and Dublin Company.</i>			
Viccent Villars, M.P., Director of South Wales, Vale of Neath Companies	178	not paid.	
James Alston, Brynaston-square, Director of South Wales, Llynvi Valley, Swansea Valley, West Cornwall Companies	228		
Sir J. J. Guest, Baronet, M.P., Director of South Wales, Aberdare, Taff Vale Companies	40	not paid.	
David Morris, M.P., Bank, Carmarthen, D.S. Wales	316		
William Matthews, Lligston, Director of South Wales, Llynvi Valley, Oxford and Wolverhampton, Birmingham and Oxford Companies	40	not paid.	
C. A. Walker, of Killybegget, and Bank, Dublin (50)	138	not paid.	
<i>Other Directors of South Wales, Great Western, &c., Companies.</i>			
Charles Russell, M.P., Director S.W., G.W.R., Cheltenham, Birmingham and Oxford, South Devon, Birmingham and Dudley Companies	100		
George Jones, Bristol, D.G.W.R., South Devon, Dean Forest Companies	75	not paid.	
Henry Stammers, Banker, Reading, Director G.W.R., Oxford and Wolverhampton, Dudley, Birmingham and Oxford, Forest of Dean, Cheltenham, Wilts and Weymouth Companies	200		
William Morgan, of Bristol, Director of Bristol and Exeter, South Devon, South Wales Junction Companies	100	not paid.	
Starling Benson, Swansea, P.C. of South Wales Company, Auditor of G.W.R.	50		
Col. Hugh Owen, Director of South Wales Company	100	not paid.	
Archibald and A. F. Pash, London-street, D.S.W., Swansea Valley Companies, Auditor South Wales Company, &c.	138	not paid.	
Robert Sanders, Southwick-crescent, Director South Wales Company	200	600	
J. M. Vician, M.P., Swansea, D. S.W.	540		
	138		
	378		
	138	not paid.	

N.B.—The Words "Pr." means Promoters; "P.C." Provisional Committee-men; "C.M." Committee of Management; "P.D." Provisional Directors; "D.G.W.R." Director of Great Western Railway; "S.W." Director of South Wales Company; "R.P." Registered Promoter in 1845; "D.W." Director of a W.'s Company after Act of Incorporation; "C." Director nominated by South Wales Company under Third Act of 1845; "not paid," that those were returned to Parliament in June 1845 as not having paid on their Allotments of June 1845. The above parties are on the "Register" for less than 2,000 shares in all.

	Shares allotted in 1845. (1.)	Shares signed for, 1846, after Paic. (2.)	Shares signed for, 1846. (3.)
<i>Officials, &c. of Waterford Company.</i>			
Rafford, Jas. R. P., Director of Birmingham and Oxford, and Dudley, and Oxford and Wolverhampton Companies	- 1000	- 500	
Penson, Thos., C. E., Contractor of Oxford, W., and Wolverhampton Company	- 1000	- 500	
Elgie, F. T., Solicitor, Oxford, W. and Wolverhampton Company	- 80	- not paid.	
Walters, Gregory Seal, Contractor, ditto	- -	- 1,000	
Shade, F. W., Auditor of S. W.'s, Director of Willes and Weymouth Company	100		
Gill, Thos., M. P. (South Devon Company)	700		
Reed, Joseph, Plymouth, ditto	150		
Pearce, Edmund, Solicitor, ditto	25		
Miller, Dr. Patrick, Bristol and Exeter, South Devon Companies	50	- not paid.	
Radham, J. B., Secretary Bristol and Exeter Company	15		
Watson, Wm., Bristol, Prov. Committee-man	50		
Barry, Michael, Barrister, Dublin	- -	- -	{ 250 not on.
Glancey, John, Barrister, Dublin	50	- -	{ 500
Jones, Robt., Co. Westmeath	- -	- -	{ 1,000
McCarthy, Misses, Geary	- -	- -	{ 2 100 500
Sedgwick, Dr., Gorey	- -	- -	
Carr & Co., Solicitors, Cork	200		
Codd, E. S., London, Auditor South Wales and S. W.'s Companies	100?	- -	500
Kane, E. D., Company's Solicitor, Dublin	- -	- -	{ 250 and 100 not on.
Kenny, E., Clerk, ditto, Dublin	- -	- -	120
Kerrington, Miss, Dublin, Relation of Mr. Kane	- -	- -	
Little, Simon and George, Wexford, Company's Solicitors	50		
Symes, E., Company's Solicitor, Wicklow	50		
Mingeridge, R. M., Company's Secretary	{ 150 5	- not paid.	
His Brother	50		
Tatham, H., London, Charing Cross	- -	- -	125
Whyte, M. B., Barrister, London	20	- -	
Celina, Edward, Co. Wexford	- -	- -	250
Hunt, William, Whitehall, Company's Solicitor, and to G. W. R., South Wales, &c.	50 not paid	- 500	
Hunt, W. O., ditto	- -	- 1,000	
Hunt, Montagu and Edward, jun., ditto	100		
Elsdale, R. T., Clerk to ditto	- -	- 50	
Stable, J. W., Clerk to ditto	- -	- 500	
Bowden, Jas., Clerk to ditto	30	- not paid.	
Beauvois, Sir J. De, Relation of Solicitor	150		
Heming, C. W., Clerk to Solicitor's Co.	50		
Lowder, W. T., ditto	75	- not paid.	
Millar, H. C., ditto	30		
Skidmore, Hy., ditto	15		
Watson, Wm., Clerk to ditto	40		
Vivian, J. W., Clerk to Solicitors, 10, Whitehall	50	- not paid.	
Henneth, George, Contractor G. W. R., S. W. Companies, &c.	500	- 1,500	
Rose, Lake Conway, Secretary G. W. R. Branch Line	- -	- 500	
Armstrong, Nemes, Ex-secrctary S. W. Company	100	- 500	
Bowring, Dr., Director Llynvi Valley, Cork and Waterford Companies	50		
Hadden, G. F., Llandudno Railway	50		
Le Mesurier, F., Llandudno Railway Company	100		
Wood, H. W., Vale of Neath Company	70		
Coke, H. S., Neath, Solicitor to Company	50		
Broken, Sir A. De Capel	- -	- 150	
Atkinson, R., Kirkby Lonsdale, Auditor of G. W. R.	100		
Gore, Hen. R., & Co., Woods and Forests	{ 100 40	- not paid.	
Ashbee, Jas., Clerk G. W. R. Company	25		
Brooks, W. L., ditto	30		
Brooks, J. W., his Brother, Morning Herald Office	40		
Brooks, G. W., Clerk Paddington Station	10		
Burke, James St. G., Parliamentary Agent to Company and G. W. R. and S. W. Companies	150	- not paid.	
Campbell, Wm., Clerk G. W. R. Station	{ 25 5		
Chowne, George, ditto	5		
HER, Christopher, Swindon Station Clerk	30		
Hyde, Jas., Clerk G. W. R. Company	75		
Iron, W. J., ditto	15		
Kelly, James, ditto	15		
Murray, Charles, ditto	10		

	Shares allotted in 1845. (G.)	Shares signed for, 1845, after Partis. (H.)	Shares signed for, 1845. (I.)
Pyke, James, Accountant, G. W. R. Company	50 not paid		
Sewell, J. E., Storekeeper, G. W. R. Company	20		
Thompson, David, Clerk, Paddington Station	20		
Watson, Robert, ditto	20		
Walton, J. D., ditto	10		
Ward, R. J., Bath, ditto	75		
Connolly, J., Clerk to Company, 449, Strand	—		
Fisher, Joseph, Agent to G. W. R.	40		
Gooch, Daniel, Paddington, Engineer	20		
Hewes, Samuel, Clerk to Company	30		
Jones, S., Assistant to Engineer, 16, Duke-street	20		
Owen, Wm. George, Engineer, S. W., &c.	100		
Orton, H. L., Reading, ditto	10		
Pulford, Wm.	480		
Pulford, Robert, M. P.	700		
Princep, W. H., Stockbroker of Company	20		
Pearce, P. J. T., Solicitor of Company	20		
Pugh, John, his Clerk	40		
Russell, George Lake, Barrister, Brother of Director	20		
Stevens, Charles, Solicitor of Company, Old Jewry	50	no	on Regt.
Stevens, Walter, Sub-Secretary of G. W. R., &c.	50		
Smith, Joseph, Clerk, G. W. R. Company	15		
Saunders, J. P., Eastern Union Company, Secretary	100		
Saunders, F. George, Secretary, South Wales, Vale of North Company	100		
Saunders, A. R.	25		
Saunders, Thomas	200		
Saunders, Charles Alexander, G. W. R. Company	—	on.	
Thornburn, Alexander, Egypt, Auditor of South Wales Company	700		
Wood, Wm., 449, Strand, Secretary, Llyavli Valley, Assistant Sec., S W.'s Company, G. W. R. Company	100		
Willis, George, ditto, Assistant Secretary, ditto	65		
Alston, Barlow, and Lewis ("South Wales Company") on "Register" for 11,000 Shares	—	—	11,000

Note.—The above do not include all the names of M. P.'s comprised in the Return to Parliament (H. of L.) made 1845 as to this Company, nor many Commisaires of above Partis. The House of Lords' Return, made 1849, of Members of Parliament, &c., only embraced Allotments of Shares; not subsequent *Joins*. Of the above names, many are not registered at all, and others only for a few of the Shares, as per "Report of S W.'s Committee" (1845).

The registered Number, besides the 11,000 South Wales Company, is 3,000 Shares, or thereabouts, of this Appendix.

Appendix 3.

[*Semi-annual Return, June 1846.*]

1.—STATEMENT of the AMOUNT of the SUBSCRIPTIONS actually PAID UP by the Provisional Committee upon the Shares originally allotted to them.

Amount of the Subscriptions actually paid up by the Provisional Directors upon the Shares originally allotted to them £. 1,377

2.—THE PRESENT and PROPOSED AMOUNT of the CAPITAL of the Company.

The present and proposed Amount of the Capital of the Company is £. 2,500,000

3.—STATEMENT of the NUMBER of SHARES, and the AMOUNT of each SHARE.

Number of Shares £. 100,000
Amount of each Share £. 90

4.—STATEMENT of the AMOUNT of SUBSCRIPTIONS PAID UP by the ORIGINAL ALLOTTEES.

Amount of Subscriptions paid up by the original Allottees £. 96,079

5.—STATEMENT of the AMOUNT of SHARES retained by or for the "Provisional Committee" by or for the "Provisional Committee" beyond those allotted to them.

6.—A STATEMENT of the SOURCE whence the PARLIAMENTARY DEPOSIT was paid, or whether a Declaration was made of a Surplus instead of a Deposit.

The Parliamentary Deposit was paid out of the Amount received from the Subscribers for Deposits.

7.—A STATEMENT of the AMOUNT of MONEY IN HAND, together with an Abstract of all RECEIPTS and EXPENDITURE up to the Date of the Presentation of the Petition for the Bill (9th February 1846).

RECEIPTS:

	£.	s.	d.	£.	s.	d.
Deposit Account, or original Allotment - - -	65,461	10	-			
From Great Western Railway Company - - -	3,000	-	-			
" Oxford, Worcester and Wolverhampton Railway Company - - -	10,000	-	-			
" Dublin and Kingstown Railway Company - - -	15,000	-	-			
Interest Account - - - - -	1,271	15	9			
				135,473	5	9

EXPENDITURE (to February 1846):

	£.	s.	d.	£.	s.	d.
Parliamentary Deposit (5 per Cent.) - - -	75,000	-	-			
Parliamentary and Law Expenses - - -	3,110	16	6			
Engineering Expenses - - - - -	8,000	-	-			
Traffic Estimates - - - - -	200	-	-			
Office Rent, Salaries, Books, Stationery, &c. - - -	1,693	12	-			
Advertising and Printing - - - - -	551	6	6			
				87,426	12	11
Balance invested and in Bankers' hands (towards Expenses and further Deposit) - - - - -				£. 39,247	13	10

Counters,
Chairman.

(No. 490.)

Sir,

Parliament-street, 14 February 1850.

We beg to hand you copy of the farther Report or statement of the committee of shareholders, &c. relative to the Waterford, Wexford, Wicklow and Dublin Railway Company, for the consideration of the Commissioners.

We have, &c.

Captain Harness, &c.

(signed) Lewis & Nash.

Enclosure in (No. 490.)

WATERFORD, WEXFORD, WICKLOW AND DUBLIN RAILWAY.

COMMITTEE'S REPORT to the Shareholders, by Direction of Meeting of 4th February 1850, preparatory to General Meeting.

The committee, appointed at a public general meeting of March 1849, being refused access to the books or accounts, have been compelled to ascertain, as best they could, the facts relating to the Company, and have sought the sentiments of the "registered holders," and to obtain a decision on the liability for calls as a guide to all the shareholders; but any litigation with the directors personally was postponed, the committee hoping that by the overtures made (App. 1), on amicable arrangement for the general body would be accomplished; but after a delay of some months, any discussion was lately declined, on the pretence "that the majority of the shareholders support the directors' proceedings!" whereas the result of communication from the "registered holders" shows that above 200 parties, registered for 7,000 to 10,000 shares, are prepared to co-operate with the views of the committee. This mistake of the directors may be explained by the sapineess of the registered holders, who repudiate all connexion or liability with the Company, and its legality.

The committee was formed with the view of effecting a wind-up of the Co., investigating the affairs, and guiding and protecting the shareholders. Many names having been put on the "register" improperly, such parties, and the original subscribers, are recommended to co-operate with the views of the committee, and to attend the meetings "under protest," whereby they will protect themselves from liability, or any admission of being shareholders, more effectually than if they continue to abstain from interfering.

It is scarcely necessary to add the great importance of embracing, in a committee, the large holders, and of insuring the active co-operation of the influential "registered holders" and original subscribers, so as to secure the objects in view, which involve the parties co-operating in no personal liability.

The following facts are submitted by the committee:—

RÉSUMÉ.

(a.) The "capital" of the Co. was originally proposed to be 2,000,000 *l.* in 100,000 shares of 20 *l.* The applicants exceeded the number of shares.

The "allotments" in June 1845, and up to February 1846, were (less than half the capital) 49,811

In 1846 (after the panic) shares were taken by officials, &c. (fictional subscribers) for (A.) 14,173

Also shares put upon the "South Wales Co." - - - (B.) 11,200

Which make up the No. on "register" of Dec. 1845-9 (3-4ths of capital) Shares 75,184

(The directors, officials, &c. had thereout 28,865, besides said 14,173 and 11,200; but do not now hold 2,000, besides the 11,200).

(b.) The "deposits" on the "allotments" up to February 1846, were on 49,818 shares - - - £. 74,142 - -
And on the fictitious 14,173 shares - - - 21,259 10 0

Making on 63,991 shares - - - Paid £. 95,401 10 0

(c.) Before going into Parliament in February 1846, £. 12,425 had been paid out of the deposits towards "preliminary expenses."

Nearly one-half (42,000 *l.*) of the "deposits" were expended in obtaining the Act of Incorporation of August 1846.

(d.) The "Parliamentary deposit" of 10 per cent. alone required 150,000 *l.* cash in February 1846. The Co. had little more than half that amount in hand; and it was made up by secret loans of capital from other companies, at interest.

These

These facts were concealed from the shareholders, explanations were refused, and access to the accounts denied.

(c.) *AFTER INCORPORATION*, in December 1846 and February 1847, the majority of the holders were still in favour of a wind-up, and a return of the deposits. Thereupon the fictitious 14,173 and the 11,200 (for which capital of "the South Wales Company" was secretly and illegally used), were again brought to vote by the directors.

Shares and holders were bought up by officers of the Company to extent of some thousands, and registered in agents' names.

Holders of above 17,500 shares were refused registration, and their property confiscated.

The original "silenties," for some were "registered against their will;" their interference neutralized, unless where they were bought up by the officials of the Co.

By these means the directors again succeeded, in Feb. 1847, by a small majority, in continuing the Co. and defeating the shareholders.

PRESENT POSITION, SHARES and CAPITAL.

(f.) Upon examination it appears that there are not 20,000 registered shares left in responsible hands, including therein the 11,200 by the "South Wales Company."

But as those were taken in 1846, and no legal authority for same ever obtained (except in 1848, for a future subscription), and as the "Great Western Company is to guarantee the advance and interest if the South Wales get to Fishguard," and as these 11,200 shares were clogged with some conditions as to making "no more calls thereon, unless the Company shows the means of going to Wexford" (08 miles); the real holdings are thus reduced to less than 10,000 shares.

The accounts of the directors show: that three-fourths of the original capital, or the total shares in register, of 75,180, are credited for the "deposit" of 30 s. in 1845-6. But a vast number of those were persons hired, and votes bought up, for the purposes of voting with the directors, and against a wind-up in 1846-7.

That 40,000 (or two-thirds of those) have paid nothing further. Vast numbers of these deny liability, and are bought up shares held by agents of the directors.

That only about 35,000 (including the South Wales Company's 11,200) shares have paid the call of February 1847, of 10 s.

That only about 18,000 (including said 11,200) have paid the call of February 1848, of 20 s.

That nearly all the contributors (with the exception of the 11,200 South Wales Company, and about 2,000 held by the board and their supporters) who paid calls, did so for the purpose of transferring their shares to puppers, as demonstrated in former Reports, and which was permitted without any efforts by the directors to protect the remaining bona fide holders.

So that there only remain those shares in responsible hands, including those who have hitherto raised the calls and the directors' proceedings, not amounting to 10,000 shares in all!

(g.) CAPITAL ACCOUNT, for Four-and-a-half Years.

The "accounts" hitherto printed and circulated have differed from the "balance sheets," and the directors have also resisted stating the credits and liabilities of the Company and the loans made. The application and order for the "mandamus," to them has led to the preparation, for the next meeting, of the following account up to 1st January 1850:—

The Total Receipts for capital (deposits on 75,180: 1st call on 30,322; 2d call on 18,292 shares, and advances on calls, 210 l.)	£ 144,506 16 -
--	----------------

The paid outlay on "works," including Killiney Tunnel Contract, 18,165 l., Bray Head Tunnel Contract, 27,967 l., fencing, wages, &c.	46,670 3 3
Land and compensation; costs, law and valuing, 1,126 l. 8 s. 9 d.	11,311 10 4
Interest to shareholders, &c.	32,712 2 -
Office expenses, directors, Sir T. Esmond's and Lord Courtown's expenses, &c. (3 years, since incorporation)	9,507 1 2
Newspapers, stationery, &c. (ditto)	1,438 19 11
Parliamentary and law (ditto), on account	474 7 9
Engineering expenses (since incorporation)	11,385 - -
Expenses for incorporation, 1845-6	10,602 1 6
	42,000 - -
	7,500 - -

So that there has been expended above	£ 140,400 18 3
The "Balance in hand," on 31st December, was less than	£ 4,000 - -

The balance in hand, 31st Dec., was thus made up—At banks	£. 1,248	-	3
Still on secret and illegal loan to G. W. R. Co., part of loans			
1846 and 7	2,830	8	3
Cash in hand, &c.	213	19	4
	£. 4,347	7	10
Deduct "Suspense account"	331	10	1
Balance, 31st December 1849, only	£. 3,995	17	4

Of the "Liabilities" there was no account until now. They are called "DEBTS DUE BY THE COMPANY."

Land purchases, assumed at	£. 17,000	-	-
Works, Parliamentary and law, engineering, salaries, rent, offices,			
&c.	15,000	-	-
Interest due to proprietors	1,700	18	2
Calls paid in advance	910	-	-
"Suspense account"	331	10	1

31st December, admitted Liabilities - - - £. 34,262 8 3

CREDITS ALLOTTED BY THE DIRECTORS—Land	£. 27,130	1	7
Work in construction	46,870	3	3
Arrears on calls, and interest thereon	87,359	10	9
Balance in hand, 31st Dec. (above)	4,000	-	-

The Line was originally to be 169 miles, and in 3½ years the Board has not completed two miles (of tunnelling), nor undertaken any other works, and has suspended works on the Killiney contract since September.

All the capital received is by this time expended. Three Acts of Parliament have been obtained, and a fourth is applied for, at an expense of above 3,000 £, most unjustifiably; and about 400,000 £ is required to carry out the directors' proposals!

(A.) DIRECTORS' PROPOSALS.

The Proposal of August 1849, to go from Kingstown to Wicklow—52½ miles—was "estimated by the directors" to cost 420,270 £.

To which add, the onerous agreements with the Kingstown and Dalkey Lines. Also cost of rolling stock, say 100,000 £. Office expenses, &c. above 3,000 £ a year.

And these to be borne by less than 10,000 shares, assuming that they continue their liabilities, and the So. Wales Co. exempt themselves under a Board on which they unjustly nominate a majority.

It was proposed by "the directors," at the general meeting of August 1849, to reduce the capital to one-fourth, the Line to one-seventh, and the liability on each share to one-third of the existing amount, by making three shares of 20 £. into two of 10 £. each: in effect, bringing the responsible holders down from 10,000 to 7,000 shares. Without regard to the promise thus publicly made by the directors (a majority of whom are permanently nominated by "the South Wales Board"), they have now introduced into Parliament a "Private Bill" to this effect: to shorten the line to 32½ miles; and (section 3), "That it shall not be lawful for the Company to make calls on any shareholder to any greater amount than shall suffice to make 10 £. in the whole called upon each share; and further, that when and so soon as the aggregate amount of 500,000 £. shall have been actually paid up on calls on the shares, it shall not be lawful for the Company to make further call, unless the making of such further call shall have been sanctioned by a majority of three-fifths present at a general meeting of the Company specially convened."

So that, in effect, the directors may call till they realise a total of half a million on existing shares (75,000 reduced to 7,000), and may make further calls, with consent of a majority at a meeting!

MEASURES IN HAND.

The directors have refused access to the register and other documents—refused a proper "balance sheet"—the printed accounts supplied at the meetings differing from the actual balance sheets—refused to meet the committee—and any investigation—but threaten the registered holders with actions for calls!

(i.) PENDING ACTIONS for CALLS.

From May 1848 to June 1849, repeated offers were made to the "board" to contest the calls in one action, which should guide all the rest, and save the waste of money in separate actions. Nothing was done thereon by the "directors" till June 1849. Four actions were then brought for "calls" against original allottees. These were consolidated into one, which

which was defended on the belief and understanding that one was to proceed, and other similar shareholders were to "abide the event;" and "that all other proceedings in respect of calls await such event."

After discussion before the judge in July and October last, plans were allowed, setting up as defences, besides the technical points, of objection, that the "register of shareholders" was a fraudulent document; that the defendant became a subscriber through fraud, &c.; that the Co. was formed by fraud, and defendant induced to become a subscriber through fraud; that the Act of Incorporation was obtained by fraud, &c.; that defendant had sold his scrip, and Co. refused to register the holder, and registered defendant against his will; that the circumstances amounted in law to an agreement to accept the holder for the original allottee; that the calls were rescinded, and payment postponed by a general meeting of shareholders; that the calls were made fraudulently and illegally, and for fraudulent and illegal purposes, &c.

Those plans appeared to have been distasteful; the Board resisted efforts to get at evidence to prove them: refused to admit the undeniable facts in the case; and in November brought a fresh action, contrary (as we believe) to good faith, and the understanding which existed when the former action was brought, and its defence entered upon. An endeavour was made to plead the same pleas in that action, and, after some discussion, in January last, the court allowed the following pleas, which will raise all the questions:—1. Were indebted under the statute. 2. Denial of being a holder of shares. 3. That the calls were made for fraudulent and illegal purposes, and after abandonment of original scheme, &c. 4. That calls rescinded by shareholders. 5. That the capital under the Co.'s 2d Act, section 25, to extent of 1½ million, had not been subscribed for, and was colourably and fraudulently subscribed; and therefore no power to make calls, or apply capital, for "Construction of Railway," &c., &c.

That section, after reciting *Lands Clauses Act*, sect. 16, (that "the whole capital should be subscribed under contract, &c., before it shall be lawful to put in force any of the powers in relation to the compulsory taking of land for the undertaking") and reciting that 1½ million would be sufficient to complete portions of the line, enacts, that "when and so soon as 1½ million shall have been subscribed, &c., it shall be lawful for the Company to put in force all the powers of the Act authorizing the construction of the railway, and of the Acts therein recited (*Consolidation Acts, 1845*), as regards the portion of the railway between Kingstown and Wexford, &c."

The admission of those pleas is of the greatest importance, and may be the means of avoiding a suit in equity to give effect to the defences thus raised at law.

On the part of the Committee, every desire was entertained, and endeavour made, to proceed to trial immediately, if the Board would admit existing documentary evidence and undeniable facts. An examination of the correspondence establishes this.

(j.) OTHER ACTIONS THREATENED.

The two actions begun in June and November, 1849, were defended upon the understanding that one action only should be prosecuted, and should decide the general liability; and proper undertakings, without the cost of actions, have been offered. The subjoined correspondence (No. 1) explains at least the understanding of the Committee on this important subject, and the motives by which each party was guided. The propriety of raising and uniting in one these actions cannot be doubted.

OTHER MEASURES AND LIABILITIES.

(a) The Committee has acted upon a strong impression, that from the construction of the 2d Act, and the proceedings of the directors, they have subjected themselves personally to liabilities to original subscribers, as well as subsequent purchasers; those must, however, be questions for courts of law, and speedily brought forward.—(b) It is considered that the directors are personally liable to an action by each subscriber, original allottee registered against his will, registered holder, and holder of scrip refused registration, for damages for the losses sustained, depreciation of their property, &c., through the conduct of their directors. An action is in progress with reference to these questions.

(c) A Bill has been filed in Chancery which may obtain a disclosure of the "Transactions" between "the South Wales Board" and this "Board," and fix the liability for the 11,200 shares personally on the directors and other individuals engaged in that matter, detailed in former reports.

(d) An endeavour was made to obtain a "SPECIAL MEETING" of shareholders, and a "REGISTRATION" has been in course of signature for some months, and is signed by vast numbers of holders, "under protest against their liability," &c., with a view to discuss matters which are excluded by the Board from discussion at the ordinary meetings. Access to the "register of shareholders" having been refused by the directors, it has hitherto been impossible to complete that registration.

(e) A "Mandamus" has been granted by the Court of Queen's Bench for the production of all the Company's books, for access to the register, and for a correct "Balance Sheet," according to the statute. But the Committee regret to state that the directors declined to argue, upon the Rule, the question of right, yet set at naught the mandamus to the extent of the books.

OPPOSITION AND RELIEF IN PARLIAMENT.

(p) The character of the Bill introduced into Parliament renders it essential to the interest of the "registered holders" and of the "original subscribers" to oppose it; otherwise the calls, and the right to recover them, will be legalised, their legal liability will be completed for the arrears, and for 500,000 l. on existing shares, and also such further calls as a majority of a meeting may sanction. From these liabilities the subscribers and holders may not be able to exonerate themselves.

Petitions and requisitions will await signatures, and do not involve any liability or admission of liability.

(q) These facts—the internal management of the Company, the suspension of the interest to the shareholders on calls paid, the unfair release of directors, &c., from interest on arrears, the illegal and secret loans of capital, the expenditure—show the necessity for further investigation; and the importance of holders and original subscribers uniting in a body to give active, not passive, support to vigorous measures, with a view to protect their own interests, and secure each individual from onerous liabilities and personal litigation with the directors, by measures which will entail on him no personal responsibility.

It has been advisedly felt that the flagrant circumstances connected with this Company, and the injuries inflicted, demand a more extended investigation than civil actions for mere pecuniary indemnity can provide, and that the interests of public justice, equally with those of the parties aggrieved, require that the parties engaged should be made otherwise personally amenable.

(r) It also remains to each registered holder, by personal influence, by relief in Parliament, and by opposition at the meetings (attending them under protest and denying liability), to bring the Company to a wind-up, and the directors to justice; or, finally, by paying up enough, and reserving their votes, to turn out the directors and officials, whose conduct cannot be here characterised.

[Under protest, against the legality of the Co., the acts, &c., of the Directors, and without prejudice.]

12, Parliament-street,
February 1856.

By order,
Charles Nash, Hon. Sec.

Appendix.

THREE W.'s Co. PROCEEDINGS AGAINST SHAREHOLDERS: WITHOUT PREJUDICE.

Gentlemen,

25, Parliament-street, 21st January 1856.

With reference to your favour of 18th (received 19th), we must insist that it has throughout the law proceedings of the last eight months been well understood by and between us (on our extreme suggestion) that one action only should be brought, raising all the points between the Board and the shareholders, this Committee abiding by it, and recommending and engaging to recommend to the shareholders generally to yield to one decision fairly obtained. Ample security (morally, if not technically) would be afforded by this to the Board, and any formal assent could have been had from individual shareholders, if you had ever asked for it.

On the fifth of such an "understanding," this Committee intervened, and the actions have been defended and put in a train for decision. We are advised that we could restrain further proceedings, and the costs thereof, under the circumstances; still we feel that you personally do not wish to put hundreds of shareholders to what would be a waste of expense, of separate actions, at a cost of 5 l. to each shareholder, in order to obtain their assent to abide the decision of one case similar to their own. These impressions are quite borne out by what passed; for,—

On 6th May 1848, Mr. Nash thus wrote to the Secretary, Mr. Maggidge:—"I recently offered to contest the calls in one action, which should decide the questions; but have had no answer to that application to you."

In June 1848, you threatened proceedings against the shareholders; we then intervened with a similar proposal to save costs. You issued four writs against this Committee; and on 1st June we wrote to you:—"He proposes to try the questions in one cause, and that the other persons should abide the result. This can be done by the usual consent, which can be as well given before as after actions brought."

On 6th June we wrote to you:—"I have obtained formal authority (from the Committee) on the understanding that one action proceeds;" and on Saturday (9th) June, we wrote,—"they and the other shareholders of every class will consent to abide a fair decision by any other defendant's action."

In this spirit the Judge's Order of 2nd June was made, consolidating the four actions, and provides "that all other proceedings be stayed till after the determination of the first action, the plaintiffs and defendants consenting to abide the event of the first action, and that all other proceedings in respect of calls rest such event." The last clause being introduced when before the Judge expressly to prevent vexatious or expensive proceedings against shareholders.

This Committee, in July 1848, "Report" to the shareholders that such an understanding had been come to, "to test the calls in one action, meantime staying proceedings against the rest." That

That Report was sent to your Directors and Secretary, and no objection raised to this paragraph.

Moreover, this "arrangement" was set forth in our affidavits of August and November, viz. "that the great body of the shareholders were to abide the decision of one case, and this Committee would be so guided." Your answers did not deny that understanding.

In November, this Committee "reported" to the shareholders, "one action only has been allowed to proceed, and other proceedings for calls have been stayed in the meantime." That Report was sent to your directors, and no objection raised to that statement.

These matters rested until the "pleas" were found to be "unpleasant;" thereupon, in November, a fresh action was threatened and brought. We remonstrated, as November, as "being against the spirit and letter of the Judge's Order of 23d June, and the whole course and object of the litigation;" and on 7th January we wrote to you "to finally inquire if it be intended to proceed with two expensive actions instead of one." No answer was given to those letters.

In December other actions were threatened against the Irish holders, and on 20th December, we, on their behalf, repeated our remonstrance, and offers to abide the event of one case. No answer has been given to that.

On 15th January we wrote, "repeating the former offer, to abide by the decision of one case, and that each shareholder should sign a consent to that effect," both Irish and English. We repeated those views on the 17th inst.: those letters have had no real answer. Nevertheless, proceedings have been taken, and others threatened, against the mass of English shareholders, who are now (January) threatened with separate actions.

We are satisfied that what has passed establish the understanding we insist upon, or that we have been allowed to go on for eight months in the delusion, and on the faith, of its existence, if it had no existence. We do not think the formal signature of each dissentient shareholder was material, seeing that the pledge of the committee and their recommendation were, and would be, morally sufficient for the purposes of the Company with the mass of solvent holders.

Without prejudice to this understanding, and the question of breach of faith involved, we beg to repeat our offers of the 15th and 17th, namely, a "consent," signed by each dissentient shareholder (of which we will send you a proposed form), and if you will lend us the list of those you have applied to, or make an appointment, we will mark off those who shall sign. We wish it concluded by the 30th.

Yours respectfully,

To Messrs. Hunt.

Lewis & Nash (for the Committee).

No. 2.—(EXTRACT.)

Sir,

Courtown, Ireland, August 28, 1850.

I AM favoured with your letter of the 22d inst. The assurance, on your part, that there never existed any desire for factions opposition is very satisfactory to me, and I am sure on Mr. Prendergast's return to London, which I expect will be in the course of the ensuing month, it will afford him much pleasure to meet yourself or any other shareholder, and frankly to discuss with you the position and prospects of the Company.

To Th. Warrington, Esq.

Courtown.

No. 3.

Gentlemen,

January 21st, 1850.

THREE W.'s CO. and the shareholders.—We are desirous of being informed if there is any answer to the suggestions for an amicable adjustment made in our letters of 15th and 22d June, Mr. Prendergast's communication of 3d November, ours of 29th December and 7th January; or if you have any different suggestion to make, either by letter or in a friendly conference with this committee. Our committee are about to meet again, and have to consider further the matter, and to report to the shareholders.

To Messrs. Hunt.

Lewis & Nash, H. Sec.

No. 4.—(EXTRACT REPLY.)

29th January 1850.

WE beg to acknowledge the receipt of your letter of 21st inst., and in reply to state, that we transmitted copies of the several communications therein referred to to the directors, but have never received their instructions to make any suggestion to you thereon. We have reason to believe that the directors decline to hold any communication with "the committee," considering that they neither possess the confidence of, nor have any influence over, the majority of the shareholders.

W. & J. W. Hunt.

(No. 153.)

Office of Commissioners of Railways, Whitehall,
16 February 1850.

Gentlemen,

I HAVE been directed by the Commissioners of Railways to acknowledge the receipt of your letter of the 14th instant, forwarding a copy of the further report of the committee of shareholders of the Waterford, Wexford, Wicklow and Dublin Railway Company.

I have, &c.

(signed) *H. D. Harnett,*
Captain Royal Engineers.

Messrs. Lewis & Nash.

(No. 494.)

Sir,

52, Parliament-street, 15 February 1850.

WE are desired by the committee of shareholders of the "Waterford and Dublin" Railway Company to solicit your particular attention to the notice for the second reading of the "Waterford and Dublin" Railway Bill given last night, as being in substance a Bill to reduce capital, and shorten the line, and therefore it is trusted within the "resolution" moved by you; and we trust that you will be pleased to cause the suspension of the Bill, by a representation of the above fact.

We have, &c.

The Right Honourable H. Labouchere,
&c. &c. &c.

(signed) *Lewis & Nash.*

(No. 506.)

Sir,

52, Parliament-street, 14 February 1850.

IN accordance with the suggestions contained in your letter of the 1st instant, we have the honour, on behalf of a numerous body of shareholders in railways, to address you with reference to a Bill for "Winding-up Incorporated Railway Companies;" we do not presume to do more than solicit attention to our former papers to the Commissioners, on the subject of clauses in a Bill for Winding-up Incorporated Companies, and to strongly solicit the consideration of the Commissioners to the great practical good which would be attendant on such a measure grounded on enabling registered shareholders to vote for a dissolution without paying up the calls of capital made for the purpose of constructing the railway. We have to urge the distinction which exists between voting for a dissolution and saving of expenditure, and voting for the continuance of a company and the expenditure of capital. While in the latter case it would not be fair to admit a partner to vote for expenditure and increased liabilities who had not paid up his contribution; yet in cases of dissolution of partnerships it is contrary to all principle and precedent to compel the partners to pay up their capital before applying for or voting for a dissolution. We believe that in equity proceedings for dissolution of partnerships it is never required; the accounts are taken, and it is ascertained how much each party has to contribute, and he is admitted to do so. It would, otherwise, be absurd to require a contribution which might not be wanted. In the existing "Winding-up Acts," it is not required that shareholders or contributaries should pay up their quota before taking steps for a wind-up; and we submit with confidence, that this requirement is contrary to all the principles of a "dissolution."

The policy of the restriction may well be doubted, whilst the relief sought to be given by a Winding-up Act is mainly required in those cases where the shareholders have not been able to pay up calls and yet retain the liability, and (under the proposed Bill) would be unable to promote a wind-up of their partnership; great hardship would be inflicted on shareholders who are suffering under a liability from which they would not be allowed to obtain relief, unless upon the deposit of sums of money which cannot all be required for the purposes of winding-up. We are satisfied that the inconveniences attending such a course, would tend greatly to destroy the application and usefulness of such an Act of Parliament.

The

The facts were much considered last Session by several influential shareholders, and we subjoin a list of the gentlemen who were in favour of a Bill to wind-up incorporated companies, and willing to leave the decision of the question of "wind-up or continuance" to the Commissioners of Railways, upon a requisition from shareholders; but were opposed to any Bill which should commit its machinery and working to the influence of the directors and officials of the companies. We had to present petitions to the House of Lords last Session, embodying these points, and the opinions of gentlemen who, from their experience and practical knowledge, and their support of those views at a public meeting, were entitled to have their opinions considered.

We may add, that there are to our knowledge, several companies which will be exonerated from the operation of so useful a measure, inasmuch as the officials have bought up shares from persons who paid their calls to get rid of them, and have inserted on their registers the names of persons as shareholders for fictitious and illegal and reserved shares, so that the remaining *bona fide* shareholders are as 5 to 60. In such cases, and with the "paid-up clause" in operation, and without any appeal to any other tribunal than the "majority of paid-up holders appearing on the register," it is manifest that the beneficial holders cannot hope for any relief under a Bill which *should* be peculiarly adapted to *their* relief in such cases as those we have in view. The modification proposed would not prevent the "condition" of payment being attached under section 12.

We have the honour to solicit that the Commissioners will be pleased to consider these matters, and to allow a deputation to wait upon them.

We have, &c.

(signed) *Lewis & Nash*,
for the Committee of Shareholders.

Mr. Perry Richards, Chairman Sambre and Meuse (West Flanders) Companies.

Mr. Jas. Thompson, Director of Brighton Company.

Messrs. Carden & Whitehead.

General Sir J. Wilson, &c. &c.

Mr. Clement Wolsley.

Mr. Freebody, c. r.

The Committee of Shareholders of Waterford and Dublin Company.

Captain Warrington, 8th Hussars.

Mr. Jervis Amos.

Mr. J. A. Gallini.

Messrs. Gould, Dewie & Co.

Mr. Luke H. Hansard.

Captain Kearney, 15th Hussars.

Mr. Latham, Union Club.

Mr. Ritchie, Leeds.

Rev. D. Robinson.

Mr. Toogood, Parliament-street.

Mr. Derrington, Hanover-square.

Mr. Gordon Thompson, Director of South Eastern, South Yorkshire, Doncaster and Goole Companies.

Mr. Lewis Cubitt.

The late Secretary of the South Eastern Railway.

The late Chairman of the South Eastern Company, and several large Shareholders.

Enclosure in (No. 506.)

RAILWAYS' ABANDONMENT BILL.

STATEMENT in Support of Petitions against the Bill and for Amendments. Session 1843.

The object of the Bill is to enable shareholders to wind up a Company or shorten a line of railway, if a certain majority so decide, and if the Commissioners of Railways afterwards approve. The necessity for a measure of relief being admitted, the machinery should be of that practical nature as to benefit shareholders.

The total capital sanctioned for British Railways, from 1846 to the end of 1848, was about 292,000,000 £ sterling, of which about 125,000,000 £ had been received up to March, 1848, leaving then unpaid about 160,000,000 £. Assuming that 24,000,000 £ have since been called up and paid, up to June, 1849, there remains to be called up about 142,000,000 £, and 7,000 miles of railway to make out of the 12,000 miles sanctioned to the end of 1848. The Railway Commissioners make a higher estimate. They believe the "Expenditure" on railways, to the end of 1848, to have been rather more than 200,000,000 £, and that the Companies then had the power to expend about 140,000,000 £; thus making a "total Capital for Railways of about 340,000,000 £" to complete all then sanctioned up to the end of 1848; and that at least "one-half of these in progress will not be completed, but will be abandoned, if permitted;" thus affecting a saving of 60,000,000 £ capital. Nearly 5,000 miles of railway are untouched.—(*Railways and Shareholders*).

The Bill will affect two classes of Companies; one, the old Companies desiring to get rid of branches; the other, new Companies not likely to make their lines, yet the officials unwilling to abandon their powers and influence.

Sections 3 and 4 provide that "the directors on receipt of a requisition signed by a certain number of shareholders shall call a meeting, and if a certain majority thereof decide in favour of a dissolution, or shortening, then the Railway Commissioners may exercise their discretion as to complying with such decision of the shareholders."

Details.—The Bill as it now stands is emphatically a *Directors' Bill*, although the professed object is to serve those most interested in Companies and lines—namely, the *shareholders*; yet they will have no real power if the officials are unwilling to act, and cannot work the Bill in opposition to the officials of the Company!! Such a position is contrary to all the rights and principles of a constituent body—it gives them less power than they now have!

1st.—If the directors or secretary refuse to act on a requisition there is no real remedy!!

Section 4 certainly suspends the directors' power after the "RECEIPT" of the requisition to call the meeting; indeed it ties the hands of all parties, shareholders and directors, if the directors refuse the meeting.

It gives the shareholders no power of enforcing their requisition. Yet they have the power under existing Statutes (*Companies Clauses Act, 1846*) of calling their special meetings, and without any supervision. Section 70 of that Act ought to be extended to this Bill. It seems without parallel to deprive the Constituency of the power of enforcing that which their directors may capriciously refuse to exercise, especially as their decision would be revised by an impartial tribunal.

There is an appeal if the meeting decide in favour of winding up, or shortening; none, if they decide the other way! Surely the decision of the meeting, whichever way it resulted, might be fairly subject to review by the Railway Commissioners.

Experience of similar provisions in the *Dalhousie Dissolution Act*, and other Acts, have shown that directors and shareholders have the power of defeating any opposition at special meetings of shareholders, and overpowering the *bona fide* shareholders, by buying up scrip and shares, by distributing shares in such a way as to secure the majority in favour of their own views, by rejecting votes tendered by others, by canvassing, and other undue influences. There seems no reason for making the question wholly dependent on the will of a majority open to such influences. It would be better to leave the whole question to the Railway Commissioners.

2d.—Section 4 only stays the hands of the directors after receipt of the requisition, not from its date; so that during the long operation of obtaining signatures there is ample time to defeat it by the usual means above mentioned, or by calls.

3d.—Section 2.—It is notorious that almost every new Company has reserved or unallotted shares, which directors can use, and that a vast number of holders cannot now be found, or have no longer a real interest; in short, one-third of the letters to holders of schemes in 1843-7 are returned as gone, insolvent, or dead. This article should, therefore, only require the proportion of "the *bona fide* and actual holders," so as to "exclude shares in hand," and shareholders not found, or bankrupt. In new Companies it would be impossible to get the required proportion of the capital unless it be limited (line 12) to "actual, existing, and *bona fide* holders."

4th.—Clause 5 (by proviso at end) excludes all shareholders from voting who have not paid up calls. This is unusual in dissolutions, contrary to the *Companies Clauses Consolidation Act, 1845*, which does not exclude shareholders in arrears from voting; contrary to the principle of dissolving a partnership, and contrary to the *Winding-up Act, 1848*, where the accounts are taken, the dissolution obtainable by a defaulter, and his subscription settled by the Master.

Many persons who claim to be shareholders are rejected by the officials and refused registration; still more who deny their liability to be treated as shareholders, are so treated by the directors, and returned on the register, and therefore desire to interfere and support a winding-up when the question of their liability would be settled by the Master.

In the one case they would hesitate to interfere, lest they should admit their liability; in the other, their votes would be again rejected by the officials, and without appeal.

The "Joint Stock Companies Act Amendment Bill" provides for "alleged contributors" acting thereunder, and the same salutary provision should be made in this case, viz., that the

the taking any steps incidental to the proposed dissolution should not affect the rights, liability, or non-liability, of the person so acting.

5th.—Clause 5 and the schedule provide that the secretary shall send out the "Circular" to each shareholder, and "fill in the particulars," but specifies no time when he is to do so. Looking to the case of a winding-up in opposition to the salaried officials, every difficulty and delay would be created by them in the sending out, or supplying details in, circulars, especially as *this clause suits to fix any time for sending out such circulars*. Every shareholder should have liberty to fill up and send in the circular without waiting for the circular of the secretary, which might not reach him in time.

6th Clause.—Much inconvenience has been experienced under the existing Acts, from the "requisition" being required to be in one part or piece of paper, and the doubts as to the validity of duplicate originals. When it is recollected that the requisitionists have to send the one signed paper to different parts of the country for signature, at great risk and loss of time, the definition clause should provide that a "requisition" under this and existing Acts relating to railways might be on one or more papers to the same tenor and effect, and together to form the requisition required by the statutes.

7th Clause.—We have also to urge the consideration of a defeat of this Act, by contracts or works, *ex. gr.*, a line of 200 miles, on which about four miles are in "formation" since 1846, and not one-fourth is made of that section; the shareholders to the extent of one-half are virtually defunct, one-fourth of the remaining shares are held by the Company and persons on behalf of it, so that the remaining one-fourth, being the only bona fide holders, are wholly powerless, and at the mercy of the officials; that will be found to be the case in many of these stagnant Companies. In another case of a short line, one of 1846, the directors, finding that the vast majority of their shareholders were in favour of dissolution, held the reins of power as long as possible, and in 1849, just before they were turned out, made calls and contracts for purchasing the whole land for the line, thus defeating a dissolution.

If the real object be the relief of shareholders, it is submitted that without these amendments the bill will fall short of its professions.

Submitted on behalf of numerous shareholders.

(signed) *Lewis & Nash.*

32, Parliament Street, London, 1849.

(No. 152.)

Office of Commissioners of Railways, Whitehall,
16 February 1850.

Gentlemen,

I HAVE been directed by the Commissioners of Railways to acknowledge the receipt of your letter of the 14th instant on the subject of the Railways Abandonment Bill, and to state that your suggestions will be considered by the Commissioners.

I have, &c.

(signed) *H. D. Harness,*
Capt. Royal Engineers.

Messrs. Lewis & Nash.

(No. 650.)

Waterford, Wexford, Wicklow, and Dublin Railway
Company Committee, 4 March 1850.

Sir,

WE have, on behalf of the committee of shareholders in this Company, to solicit an interview with the Railway Commissioners upon the position of this Company, and the operation of the proposed Bill for the abandonment of railways.

We have, &c.

Captain Harness, (signed) *Lewis & Nash.*
&c. &c.

(No. 224.)

Office of Commissioners of Railways, Whitehall,
5 March 1850.

Gentlemen,

I HAVE been directed by the Commissioners of Railways to acknowledge the receipt of your letter dated the 4th instant, requesting an interview on behalf of the committee of the shareholders in the Waterford, Wexford, Wicklow, and

71.

H 4

Dublin

Dublin Railway Company, and to inform you in reply, that the Commissioners are desirous of receiving a statement of the points which the shareholders wish to bring to their notice, and that they will then consider whether it is necessary to see the committee.

I have, &c.

(signed) *H. D. Harness,*
Capt. Royal Engineers.

Messrs. Lewis & Nash.

(No. 705.)

Waterford, Wexford, Wicklow, and Dublin Railway
Company Committee, 52, Parliament-street,
7 March 1846.

Sir,

We have the honour to enclose, in accordance with the request contained in your letter of the 5th instant, an outline of the circumstances under which we seek for an interview with the Commissioners of Railways, in order that this committee may be permitted to lay their circumstances before Parliament, to suggest measures for their relief and amendments in the proposed Bill for the dissolution of railway companies.

We have, &c.

To Captain Harness, R. E. (signed) *Lewis & Nash.*

Enclosure in (No. 705.)

WATERFORD, WEXFORD, WICKLOW AND DUBLIN RAILWAY COMPANY.

It may be premised that the Act incorporating the Waterford, &c., Railway Company was obtained in July 1844, by fraud and misrepresentation upon the shareholders and upon the Parliament.

The capital was to be £2,000,000*l.* in 100,000 shares of 20 *l.* each, for a line of 150 miles.

(2.) Less than half the shares were allotted, fictitious subscriptions were added to the "Contract" to make up the three-fourths required by Parliament; money was borrowed of other Companies to make the Parliamentary deposits. The fictitious and unissued shares were used to secure the majority required at the special meetings under the Sessional Orders of 1846.

(3.) After the Act of Incorporation, attempts were made to stop the Company, at their first half-yearly meeting; these attempts were defeated by the purchase up of shares and proxies, the refusal to register scrip-holders who were favourable to a stoppage, the taking the capital of the South Wales Company to pay for 11,200 shares in December 1845, illegally and fraudulently, and other adicious means.

The position of the Company may be thus set forth. The directors alleged in 1846, that they had received deposits on 75,186 shares, or three-fourths. The same number is returned in 1850 as the total of subscriptions, but includes the 11,200 shares put upon the South Wales Company as hereinafter mentioned.

Those 75,186 shares have been considerably reduced by means of buying up shares by the directors and officials; refusal to register holders and registration of original allottees, illegally and hostilely, and the transfers by registered holders to paupers. Upon examination, it is ascertained that there are less than 20,000 shares in responsible hands, including the 11,200 shares of the South Wales Company.

The directors and their friends, who had allotments of nearly 40,000 shares in 1844, do not hold 2,000 shares now; but by means of the 11,200 shares in the hands of the South Wales Company they control the affairs of this Company, and set at defiance the wishes of the independent shareholders, who, denying the legality of the directors' proceedings, and anxious to contest the same, are unable to present any efficient control (though perfectly ready even to pay the calls made upon them).

The directors control the use of those 11,200 in their own favour, because the same persons are directors of both the Companies, and thus are able to use the one to shield their Acts and control the proceedings of the other Company.

As to those 11,200 shares, it is material to consider, that the funds of the South Wales Company were fraudulently used to buy up shares in this Company in December 1845, in order to overpower and defeat the shareholders, and that that fact was concealed from the shareholders of the South Wales Company until the year 1848. That in 1848, the directors applied to Parliament to sanction a "future subscription by the South Wales Company to the

the W. W. W. Company to help them, and to give them further funds, and to appoint a permanent majority of the directors:" that Bill passed; yet no further shares in the W. W. W.'s Company have been taken than were taken up in December 1846 (namely 25,184), yet the South Wales Company have permanently named a majority of the directors.

The directors of the Waterford Company (being the same men) have thus secured a majority in the direction and a majority of shares in the meetings. At every half-yearly meeting they resist every attempt of the shareholders for an investigation, refuse to yield to the wishes of the shareholders, or even to allow them to transact the ordinary business of the meeting, but arbitrarily decide and close the meetings as they please, and without (as the last meeting demonstrated) allowing the shareholders to transact all the business entitled to be transacted.

The oppression of this state of things is further demonstrated by the fact, that there exists several secret agreements between the South Wales Board and the W. W. W.'s Board, that "no more calls are to be made on the South Wales Company's 11,200 shares," except in an event known at the time to be impossible, namely, the W. W. W.'s Company showing the means of going to Wexford. Moreover those 11,200 shares were taken by the South Wales Company on condition and faith of a guarantee agreed to be given by the Great Western Railway Company to it for principal and interest; which guarantee has not been legalized, nor has it been returned to Parliament in the returns of either Company under the House of Lords' Order.

Another matter deserving of serious consideration arises on the following facts: in the South Wales Company's Return to Parliament it is stated, "Means have been taken to suspend the works on these lines so as to relieve the South Wales Company from any further payment;" and at the South Wales meeting of August 1848, Mr. Russell, the chairman, declared that, "the South Wales Company were not to pay more calls, that there was a distinct understanding to that effect with the W. W. W.'s Company;" yet at the late meeting of the W. W. W.'s Company, on 25th February 1849, the secretary and some of the directors (also directors of the South Wales Company) actually repudiated the existence of any such agreement, and the accuracy of the Return to Parliament made by their own secretary, declaring that they were not responsible for it, that it was not true, and that the South Wales Company were as liable as any other shareholders to pay upon those shares.

The shares having become reduced from 100,000 shares to these 11,200, and (less than) 10,000 in responsible hands, the directors, against the all but universal desire of the registered shareholders for a wind-up, and the hopelessness of the undertaking, assist on proceeding with two miles of tunnelling, to obtain an Act of Parliament, to abandon all but 23 miles of the line, and to raise half a million of capital from these 10,000 holders; also, by means of the bought-up shares and the South Wales Company's shares, and the arbitrary closing of the half-yearly meetings, prevent the shareholders from exercising any control over their actions or affairs. By means of illegal calls, and by refusing access to the register, the shareholders are unable to call a special meeting or present a requisition for the purpose of deciding on their affairs. The notices given by the shareholders for the consideration of any subject at half yearly meetings are utterly disregarded. The accounts presented are not in compliance with the statute, and in short, the shareholders are set at defiance and their rights defeated.

At the general meeting of August 1849, the directors formally proposed to the shareholders to reduce the capital to one-fourth, the line to one-seventh, and the liability on each share to one-third of the existing amount, by making three shares of 20*l*. into two of 10*l*. each. Without regard to the promise thus publicly made, they have introduced into Parliament a Private Bill to shorten the line, and (by section 3) to call up 10*l*. on each share, to collect an aggregate amount of half a million in calls on the shares; and thirdly, to make further calls, with the sanction of a special general meeting.

Notwithstanding the extraordinary variance between the proposal and the Bill, the directors have refused the shareholders any expression of their opinion at the late half-yearly meeting, on the proposal, involving a further capital of about 400,000*l*., to be raised by the remaining responsible owners.

The bona fide shareholders do not desire to escape from any liability; they desire to test the legality of the directors' proceedings, the validity of which they deny; their right to a control over their own affairs, and the fair expression of their wishes thereon, are defeated by a combination of most nefarious transactions, and in respect of which the courts of law or equity afford no means of redress.

(No. 267.)

Office of Commissioners of Railways, Whitehall,

11 March 1850.

Gentlemen,
I have been directed by the Commissioners of Railways to acknowledge the receipt of your communication dated the 7th instant, transmitting the grounds upon which the committee of shareholders of the Waterford, Wexford, Wicklow, and Dublin Railway Company suggest alterations in the Railways Abandon-

ment Bill; and I am to inform you, that the reasons stated do not appear to the Commissioners sufficient to warrant their proposing any alteration in the Bill.

I have, &c.

(signed) *H. D. Harness,*
Capt. Royal Engineers.

Messrs. Lewis & Nash,
52, Parliament-street.

(No. 750.)

Waterford, Wexford, Wicklow, and Dublin Railway Company,
52, Parliament-street, 12 March 1850.

Sir,
We have the honour to acknowledge the receipt of your letter of the 11th instant, and are instructed by the committee to state, that the paper which we transmitted to you on the 7th instant, was understood to be the outline only of the facts upon which the committee were desirous of an interview with the Commissioners, and we have to solicit that the Commissioners will be pleased to grant them an interview for the purpose of explaining their views.

We have, &c.

Captain Harness, n. z.
&c. &c. (signed) *Lewis & Nash.*

(No. 279.)

Office of Commissioners of Railways, Whitehall,
12 March 1850.

Sir,
I HAVE been directed by the Commissioners of Railways to acknowledge the receipt of your letter of the 12th instant, requesting an interview on behalf of the committee of shareholders of the Waterford, Wexford, Wicklow, and Dublin Railway Company, and to inform you that the Commissioners, before appointing an interview, are desirous of knowing the precise nature of the application the committee of shareholders propose to make to them.

I have, &c.

Messrs. Lewis & Nash,
&c. &c. (signed) *H. D. Harness,*
Capt. Royal Engineers.

(No. 762.)

Sir,
In reply to your letter of yesterday's date, we beg leave to state that we are desirous of submitting some amendments in the Abandonment Bill, which will give it more efficient operation, and ensure a *bona fide* decision by the shareholders on the application of that Act, and the powers to be conferred on the Railway Commissioners, especially with reference to Clause 10.

We have, &c.

Captain Harness, n. z. (signed) *Lewis & Nash.*

(No. 2350.)

Sir,
We have, on behalf of the Associated Shareholders of the "Waterford, Wexford, Wicklow, and Dublin Railway," to solicit the consideration of the Commissioners to the notice of motions before the House of Commons relative to the Company and the proceedings of the Commissioners, which are impeached under the circumstances referred to in the "Reasons," for the motion of Sir W. Verner; and the shareholders being desirous to ascertain if the Commissioners will

will assent to the inquiry sought to be had, or to any part of it. Awaiting which,

To the Secretary,
Railway Commissioners, &c. &c.

I have, &c.
(signed) *Charles Nash.*

(No. 922.)

Office of Commissioners of Railways, Whitehall,
31 July 1850.

Sir,
I AM directed by Mr. Labouchere to inform you, that he must decline stating any opinion as to the course he may deem it his duty to pursue in reference to the notice of motion before the House of Commons, relative to the Waterford, Wexford, Wicklow, and Dublin Railway Company.

I have, &c.
(signed) *J. L. A. Simons,*
Capt. Royal Engineers.

C. Nash, Esq., Parliament-street.

WATERFORD, WEXFORD, WICKLOW, AND
DUBLIN RAILWAY COMPANY.

RETURN to an Order of The House of Commons,
of the 9th August 1850, of

"COPIES of the COMMUNICATIONS and PAPERS
which have passed between the Railway Com-
missioners and Messrs. Lewis and Nash, and Mr.
Neel, relating to the WATERFORD, WEXFORD,
WICKLOW, and DUBLIN RAILWAY COMPANY,"
up to that date.

(*Mr. Labouchere.*)

Ordered, by The House of Commons, to be Printed,
21 February 1851.

[*Price 8 d.*]

71.

Under 12 oz.

WATERFORD, WEXFORD, WICKLOW, AND DUBLIN
RAILWAY COMPANY.

RETURN to an Order of the Honourable The House of Commons,
dated 21 February 1851;—*for*,

COPIES “of the COMMUNICATIONS and PAPERS which have passed between
the Railway Commissioners and Messrs. *Lewis & Nash*, and Mr. *Nash*,
relating to the WATERFORD, WEXFORD, WICKLOW, AND DUBLIN RAILWAY
COMPANY, up to this Date.”

All Communications which have passed between the Commissioners of Railways and Messrs.
Lewis & Nash, and Mr. *Nash*, relating to the Waterford, Wexford, Wicklow, and Dublin Railway
Company, previous to the 5th August last, were presented on the 5th February 1851, in compliance
with an Order of the House of Commons of the 5th August 1850. The present Return includes all
Communications which have passed since the Date of that Order up to the 21st February last, the
Date of the present Order.

Office of Commissioners of Railways, }
Whitehall, 10 March 1851. }

Duncan MacGregor,
Registrar.

(*Sir William Verner.*)

Ordered, by The House of Commons, to be Printed,
12 March 1851.

WATERFORD, WEXFORD, WICKLOW, AND DUBLIN RAILWAY COMPANY.

Sir,

Parliament-street, 1 August 1850*.

We are desired to forward for the information of the Commissioners, copy of the last two reports of the associated shareholders, bringing its position down to this time. We also add some rough corrections of some views expressed regarding this company, which it is but fair to make known.

Captain Harness,
&c. &c. &c.

We are, &c.
(signed) *Lewis & Nash.*

(Enclosures referred to.)

WATERFORD, WEXFORD, WICKLOW, AND DUBLIN RAILWAY COMPANY.

COMMITTEE OF SHAREHOLDERS.

Further Report, for next meeting of Shareholders.

1. *The arbitrary course pursued by the directors in conducting and breaking up the last General Meeting 25th February 1850, in using and then suppressing the vote on the South Wales Co.'s shares, in refusing any information to their constituency, or access to the books, has rendered it necessary to take the steps following, and to lay the results before the "registered holders."*

2. *Several actions are now pending against "registered holders" for alleged "calls." Every endeavour has been made by us to obtain a speedy decision on the general points to guide the "holders;" the directors have refused the overtures for an amicable consultation, to wind-up or otherwise, and also refused to "consolidate actions," and thereby save expenses of lawsuits. The "admission" of the prominent facts in the case has been refused by the directors, and it has been found necessary to say the actions till the directors and shareholders abroad were examined as witnesses, and "discovery" obtained (by steps in Chancery) of facts essential to the general points of defence; namely, the liability of original allottees whose purchasers were refused registration under circumstances of suspicion, the legality of the calls under the peculiar facts, the construction of the 2d Act of Parliament, the object and fraudulent purposes of the calls, &c. &c., as pleaded.*

3. *Measures and proceedings (in Chancery) have also been taken to compel restitution to the South Wales Co. of their funds taken for 11,200 shares in the S.W.'s Co., and a discovery of the facts attendant on their illegal buying up of shares in 1846 to defeat the shareholders. Also, against this Co. and its directors for a "discovery," and a declaration that the directors are personally responsible for the illegal and fraudulent acts complained of, and the losses occasioned; to restrain all their proceedings with the line, actions for calls, or the making more calls, and to restrain the South Wales Co. and directors, &c., from ruling or voting upon the affairs of this Company.*

Early decisions will be obtained on these measures, which are adopted on behalf of all the "registered holders," and will benefit all who unite with those aggrieved holders who feel that the time has now arrived for active support, to an "opposition" seeking only the general benefit, and that equity and control which a-7ths of the genuine constituency are entitled to have, but which has hitherto been overpowered by the disfranchisement of votes, by the bought-up, illegal, and guaranteed shares, held by or on behalf of officials and their servants.

Other proceedings, against the directors personally, are pending for damages, for their refusal to register scripholders, for the registration of unwilling original allottees, and injury, through their misconduct, resulting to the corporate property, and the complainants, who are scripholders and registered shareholders.

4. The

* Received in the office of the Commissioners of Railways on the 9th August 1850.

Duncan MacGregor, Registrar.

4. The discussions on "breach of privilege" in the "House of Lords," supported and instigated by our directors and officials, have, of course, had your attention. The circumstances under which the financial "statement," with its "appendices," was sent in by Mr. Nash to the "Railway Commissioners," and the "mistake" by the officials in mistaking a "copy" of a document for an "original," are so plain and manifest that it can only be worth while to refer to the prints of the statement and evidence issued by the House, on an *ex parte* movement and explanation, where one party had the power of deciding, a house of six members came to a decision, prepared by the Railway Commissioner for it, on two grounds, neither of which ever existed, namely, (1.) That Mr. Nash had sent in the statement (or had "represented himself" as secretary of 'THE COMPANY,' whereas he had never done so, but only as acting "secretary of 'THE COMMITTEE' of opposing shareholders;" a position well known to all concerned, and to the Commissioners, because they had for months been in communication with him in that character, and before and after that statement, and he could not pretend to be acting on behalf of the Company. (2.) That he had sent in "TO THE HOUSE OF LORDS" a "statement," in form of a "return" to an "order" not made on him; a "misentering of information," whereas he sent in the "statement" "TO THE RAILWAY COMMISSIONERS," under an open order—which he had so framed for Lord Brougham in 1849—purposely left open to any one to comply with—and for them to use or not, as they pleased. Any "intention" to mislead was repudiated by the House, and entirely answered by the evidence, and the fact of our complaints against the Company being reiterated for months to the Commissioners by Mr. Nash's letters; so that the "statement" was impossible to mislead any man of business. The official "mistake" as to the "handwriting" was acknowledged this evening (13th April) to have been unfounded.—(See Letters, in daily papers, 9th, 11th, and 13th April.)—The original of the "Appendix" in question is most essential to the "shareholders" in their litigation against Lord Courtown and the directors, and it is their interest to have it preserved and forthcoming, and not to suppress it, as insinuated. These proceedings must be regarded as desperate attempts to intimidate, to destroy this "opposition," and the civil and criminal proceedings pending against the directors, and the investigation sought.

5. Since the last meeting the best investigation, which could be made in the absence of access to the books, has been made into the present state of the "share register," and the results are subjoined; tested by different modes; (A. B. and C.)

(A.) The total "subscribed capital registered" [in genuine, fictitious, and guaranteed names] is only—shares	(e)	73,188
as "paying deposit of 30 s. in 1846" (per Directors' Report, August 1849).		
Including the South Wales Co.'s "conditional" subscription of 12,600,		
or " - - - - - " - - - - - "	(d)	11,200
Thus leaving, among 1,300 names, say, shares	(i)	63,988

Which include or incorporate also —

"Original allotments," paid 1846 - - - - -	Total (b)	63,601
Fictitious subscribers to subscription contracts, 1846, for - - - - -	(g)	14,000
The like, 1848, (for South Wales Co.) as $\frac{2}{3}$ ths of 12,600 shares (merged in d) - - - - -	(d)	8,375
Holders of shares refused registration, 1846-7, "original allottees" registered hostilely, &c. - - - - -		20,000
Shares and votes bought up, silenced, guaranteed, registered in clerks' names, &c., to vote, overpower meetings, &c. - - - - -		-
Shares transferred to paupers, &c. - - - - -		-

So as to leave not 10,000 in responsible or bona fide hands.

(B.) Existing "Registered Shares; —

The directors' accounts show that nearly 6-7ths of the subscribed capital have paid nothing beyond the deposit of 1846: thus,

(c) "49,195 shares paid no more than the 'deposit' of 1846-6: 30 s.—Arrears 73,000 l."	
(d) " 7,344 shares paid the deposit and 1st call of 1846 and no more (3 l.)—Arrears 7,900 l."	

"57,049 shares in arrear, 81,000 l." (August, 1849, report.)

(e) " 6,837 shares paid the deposit and 1st and 2d calls of 1847-8, (3 l.)"

(i) 83,988 shares, held by 1,300 persons, giving an average of 50 shares to each person.

(d) 11,200 shares, South Wales Company, paid the "deposit" and all calls (3 l.); to pay no more!

(e) 73,188 total "registered" shares 1846-60, and paid "deposits" 1846.

A vast majority of c had sold or transferred to paupers before register sealed. Nearly all of a and b paid calls to transfer to "poor persons." Those in d, and many in b and c, who hold guarantees are said not to be liable to pay more calls. Yet the South Wales Co. nominate a majority of directors, and by their vote, also control the meetings and shareholders, and by calls exclude genuine holders.

(c) An investigation, and average, of the names, in the absence of access to the book itself, show that the "register" of 1846-7 originally contained, say 1,300 names holding 64,000 shares (i), averaging 50 shares to each man; that 300 new names were put on since the *passé* of 1846, of course mostly guaranteed or poor persons; making a total of 1,600 names, which we thus dispose of, up to February 1850:

	300 names have gone off the "register," [transferred to paupers, &c.]
	340 names have "gone away—dead," &c.
Say only -	100 names are indemnified, hired, &c., registered hostilely, illegally, &c.
Leaving only	854 names existent on the register as payers—That
	650 of the names now on the register are ascertained to be "poor persons," leaving
	200 names or the shouts—
Of which not	200 can pay—or say 10,000 shares—
Above - -	346 names (rich and poor) dispute liability, and join in the "opposition;" or support a wind-up;
	and we have reason to believe that nearly—
	300 more are in favour of a dissolution, and against the prosecution of the scheme.

The sentiments and position of about 300 have not been ascertained; if in existence, they are most likely to support this committee. We are unable to discover 50 names in favour of going on with the Company—0 this resist the calls, and are in favour of a wind-up—and even some of the directors and officials have abandoned the Company since Christmas last.

6. IT RESULTS that there cannot be 10,000 shares in responsible hands left, or likely to stop on the register: from the best investigation which could be made in spite of the refusals of access to the "register," though a "mandamus" has been awarded for that access, and for better "balance sheets" for the half-yearly meetings. On these 10,000 shares is the burden imposed of raising a capital sufficient to complete a line to Wicklow, at least.

The directors and officials have evinced their opinion of their own plans and of the line: In 1845-6 they and their connections, &c., had 28,000 (b), 14,000 (g), and 11,200 (d), shares,—there are not now (besides those 11,200 "conditional shares" of the South Wales Company) 1,600 shares in these names: R. D. Kane, solicitor; W. O. Hunt, solicitor; Daniel Tigue, Director; P. P. Barlow, Director; the secretary (five shares)—the accountant—the architect—the G. W. R. secretary, auditor, and chairman, &c. &c., have all transferred lately, and gone off the register. Of the present ten directors, six are nominated by and for the South Wales Company (who are "not to pay more calls"), and need not hold shares. Viscount Stafford held "allotment" of five shares till lately; Mr. Pausonby took his in 1848, shares being then given away; Earl Courtown had 52 in 1846; Sir T. Esmonde 50 shares. (*Return to House of Lords*, 1850, No. 79; *House of Commons*, No. 278.)

In face of these facts the directors persist in refusing to meet any portion of the shareholders, and in going on with the company, suing for calls, and by means of a majority of directors and of shares, thus obtained, setting the remnant of genuine shareholders at defiance, oppressively and arbitrarily ruling them, and continuing the Company; also promote a Private Bill to make 23½ or 30 miles (to Bray and Wicklow), to raise half a million at least for it, and to fix a permanent burthen on the real constituency against their will.

7. AS TO THE WICKLOW LINE, fresh inquiries have been pursued; the directors' "estimate" of cost is as follows: (a) Kingstown to Bray Bridge, with Killiney Tunnels (7½ miles) will cost 171,102 £ for "works;" there is already "expended" 25,000 £, mainly on Killiney tunnels; (b) from "Bray Bridge" over the river to "Bray," through Bray, "Bray Head," and tunnels (three miles), will cost for "works" 68,887 £; already expended 30,000 £ at Bray Head, tunnels, &c.; (c) Bray Head to Wicklow (12½ miles) 60,400 £, no "expenditure" yet thereon, but query if any liabilities?—These make 300,370 £; besides (d) permanent way, 100,000 £, stations, &c. 20,000 £; making the total of Mr. Brunel's estimate, Kingstown to Wicklow, 420,370 £; "of which has been expended on works and land, 52,191 £; leaving a balance of 368,000 £" to be provided.

Besides "this balance to be provided for," there is no account of (e) the necessity of making a line to Dublin, or carrying out the "Kingstown" agreement, to alter their gauge for seven miles, to take their (then useless) stock, value 42,000 £, to buy working stock for our line, say 100,000 £, the "atmospheric Dalkey" stock, £, office expenses, 3,000 £ a year, &c. &c.; so that 500,000 £ more, at least, would still be wanting for this fraction of the scheme!

The traffic to Wicklow scarcely maintains one daily conveyance, and the population is under 7,000, Bray to Wicklow. If we go Kingstown to Wicklow, we must also pay the
Kingstown

Kingstown Company 34,000 £ a year rental for 35 years, and a "moiety of our gross receipts above 55,000 £" over their line. The Kingstown Co. now take less than 1,000 £ a week (say 52,000 £ a year), deduct working expenses, 30,000 £ or 60 per cent., leaving 22,000 £ only.

To meet the accession of large and genuine holders, and for their interests, it has been expedient to strengthen the "shareholders' committee," and measures are in hand for defeating the schemes of the directors in Parliament, the facilities sought to be firmly fixed upon the "registered holders," for an investigation of the facts, and for substantial relief.

Submitted to the shareholders "under protest against the legality of the Company, the directors' acts, and without prejudice."

Charles Nash, Acting Hon. Sec. Shareholders, &c., for
Lewis & Nash, P. A.

52, Parliament-street, April 1850.

WATERFORD, WEXFORD, WICKLOW, AND DUBLIN RAILWAY.

Associated Shareholders and Committee—Further Report.

THE time has arrived to Report on what has passed since the former Report was made, and the following Outline will probably suffice for the present of important Operations and Results:—

1. We have secured, as we believe, a "dissolution of the Company, and abandonment of the scheme." After the signal failure of the last desperate effort in the "House of Lords" to defeat or discredit this opposition (then pressing closely upon the directors personally), overtures were made by the directors to us to "suspend proceedings in England and Ireland on both sides," to which we assented, having only one object at heart; subsequently, on 1st June, we obtained a written pledge "to dissolve the Company, &c." [Appendix]. But, as we are under a pledge "not to print or circulate it," we can only say that it is open to inspection here, with the correspondence.

2. We agreed to postpone our proceedings in Chancery, &c., against the directors personally; our suits at common law for damages, fixed for June; the indictments against the past and present directors for malfeasance, abuse of powers, &c., prepared under counsel's advice; our opposition to the "South Wales" Bills, and at their meetings; proceedings in Parliament, mandamus to inspect books, public discussions of the facts charged against the directors, and our defence of the shareholders from actions, &c. &c. The Chancery motions stand for next week for an injunction*. We have also suspended all actions for calls by the directors.

3. Notwithstanding these concessions, and in spite of the "arrangements" made, the directors have prosecuted actions against shareholders in Ireland, down to this time, at enormous expense, pressing with peculiar severity upon individual shareholders, and to arrest which we made many efforts. The correspondence, we submit, convicts the directors of a breach of faith and oppression on the shareholders, of which some explanation should be given, as it discredits them to any confidence. [Fide Supplement.]

4. We have satisfaction in communicating the success of labours commenced and pursued for nearly three years, under "heavy blows, great discouragements," and circumstances unequalled; with bitter personal opposition from directors, defections and sappiness of shareholders, great expenses, and contests unparalleled in railway history, and of which the shareholders have as yet but little idea.

5. Better and more speedy results might have attended this perseverance, with an ordinary constituency; but by an early and economical "winding up" (after settling some preliminaries), the loss to the shareholders will be trifling compared with what it would have been if the delusions disseminated by every half-yearly report had continued to mislead the shareholders, and to make them the "laughing-stock" of Ireland.

6. The directors have not ventured to proceed with their "Bill" in Parliament, for which every opposition was prepared by us†. We have also watched other measures this Session affecting you.

7. We also find that, notwithstanding their continuous and recent boast of the profitable nature of their "scheme," directors, solicitors, secretary (who held five shares), architect, and other

* An injunction has been obtained (17th July), restraining actions, calls, and works, and the South Wales Co. from selling or voting upon their shares, &c., and their directors from interfering in affairs of S.W. Co.

† Since this was written, notice has been given in the Commons, for a Committee of Investigation; the directors have since "withdrawn their Bill," but we attach the condition of its being without prejudice to the notice of motion.

other officials, and their friends, have since transferred their shares to poor persons, and gone off the register of a Company which they boasted so late as the last meeting would pay six per cent.

8. An inspection of the works confirms our previous statements of the delusive and reckless character of the scheme, not three miles of line (on the sea side of Killiney and Brayhead rocks, round and through desolate rocks and precipices, overhanging the sea on one side, with mountains on the other), have been above half cut and finished. The boasted "gift of land" (part of said rock) has cost us about four-and-a-half miles of solid wall five feet high, a roadway 18 feet wide, with another solid protecting wall, averaging five feet depth for three miles, all round the rock, overhanging the sea, above the proposed line of railway.

9. We find that the present state of Ireland, the past reckless management, the worthless nature of the scheme itself, have rendered the earliest abandonment of the scheme the best course; the directors have at length yielded to this great object of our labours, by stopping all the works.

10. It is necessary to have the cordial co-operation of the shareholders with this association to ensure a proper termination, with that spirit of fair play and absence of personal feeling which we have ever desired.

Submitted to the shareholders without prejudice, and under protest.

By Order, Charles D. Nash.

52, Parliament-street, London, July 1850.

The proceedings in Parliament (No. 297), are published by the "Commons" at a trifling charge.

Appendix to Report.

LOGAN v. EARL COURTOWN, 3 W.'s Co., and Others.

NASH v. SOUTH WALES COMPANY, 3 W.'s DIRECTORS, and Others.

(A.)

In Rolls.—LOGAN v. 3 W. Co.

THE motion in this cause, and in Nash v. So. Wales Co., to stand until next seal; the counsel for the 3 W. Co. undertaking that until the motion in this cause be heard, all further proceedings in the actions at law against shareholders of such Co. are to be suspended.

26 April 1850.

Lake Russell.

Roswell Palmer.

[Motion was heard on 17 July.]

(A. 2.)

2 May 1850.

MOTIONS [for injunction, &c.] to stand over farther until the first seal after term (22 May), to be then disposed of, whether answers filed or not in the meantime. Any affidavits to be filed at least four days previous to that day.

Proceedings against shareholders for calls to be suspended until motions disposed of and answers filed, except the setting down for hearing or trial, and the collecting evidence and subpoenaing witnesses in the actions in which issues are joined. All proceedings against the associated shareholders in England to be suspended until the result of three pending actions (in London) is known, and every facility to be afforded by both sides in those cases for obtaining speedy decisions therein.

LOGAN'S CAUSE to be re-entered for trial in Middlesex, and at all events not to be in the paper the first four days of special juries.

W. O. & W. Hunt, Solicitors for Companies.

F. A. Lewis, Plaintiff's Solicitor.

[Actions in Ireland passed, entered for trial on 9th May. Actions again entered for trial in Dublin on 23d May.]

(B.)

22 May.

AGREED motions to stand over till next seal (1 June) upon above undertaking. Company not to act on any verdict against shareholders in Ireland, if obtained before notice of this arrangement reaches Dublin, until this undertaking expires. Mr. Hunt to communicate this immediately to Dublin, &c.

W. O. & W. Hunt, Solicitors for Companies.

G. Lake Russell, Lewis & Nash, for Plaintiffs.

[Actions in Dublin postponed by Court to 13th June.]

(C.)

1 June 1850.

It is agreed between the parties hereto, and to the proceedings at common law, and order by consent, as follows :

1. Let the motions further stand over to first seal after term (17 June) upon the former undertaking of the defendants, and without prejudice to any questions in the causes, the undertaking extended as follows:—It is distinctly understood that the actions in Ireland are included in the same category with those in England. Also that all proceedings and trials, on both sides, by or against shareholders, be suspended in England and Ireland till the above period.

2. A letter of three at least of the directors, agreeing as far as they can individually to a wind-up, and that they will use their best endeavours (by arrangement with other companies, or otherwise in the event of those arrangements not being carried out) to effect a wind-up and dissolution, and to induce their co-directors to concur with them in effecting the same, and in all proper steps for that purpose, and for obtaining powers for that purpose.

3. All other steps besides actions by shareholders, to stand over (except requisition) till after said first seal. If a committee to wind-up and abandon the 3 W.'s scheme be not then agreed upon, shareholders to be at liberty to bring on or renew their notices or proceedings. If the motions are brought on, no advantage to be taken by the defendants of the omission in this agreement of any undertaking to stop the works of the 3 W.'s Company from this day.

W. O. & W. Hunt, Solicitors for Companies,
F. A. Lewis, C. Nash, for Plaintiffs.

"A separate assurance by letter by Messrs. Hunt, that they will advise, and use their best endeavours, that no steps seriously affecting the shareholders shall be taken meantime, &c."—*The Letter of three directors, dated 3d, also given.*

[Eleven actions entered for trial on 13th June, in Dublin, postponed by Court to bottom of list.]

(D.)

19 June 1850.

It is further agreed between the parties to these, and to the proceedings at common law, and order by consent, as follows:—Let the motions further stand over to third seal after term (17 July), upon the former undertakings of the defendants (except as altered by the present one), and without prejudice to any questions in the causes. Motions to be then disposed of, whether answers filed or not in the meantime. Any affidavits to be filed at least four days previous to that day. Company not to act on any verdict against shareholders in Ireland, if obtained pending this arrangement, until this undertaking expires. Mr. Hunt to communicate this immediately to Dublin. All other steps (besides actions) by shareholders to stand over (except requisition) till after said third seal, without prejudice to them by delay. If a committee to wind-up and abandon the 3 W.'s scheme be not agreed upon before then, the shareholders to be at liberty so bring on or renew their notices or proceedings. If the motions are brought on, no advantage to be taken by the defendants of the omission in this agreement of any undertaking to stop the works of the 3 W.'s Company from the date of last arrangement (1st June). This is without prejudice to any questions as to costs on either side in the actions.

Fred. Aug. Lewis, Plaintiff's Solicitor.

W. O. & W. Hunt, Solicitors for Defendants and the Companies.

(E.)

Limerick, 18 June 1850.

Gentlemen,

With reference to your remarks that the Irish Trials "would not be tried" on the 13th, we are prepared to show that Mr. Kane refused to acknowledge the agreement of the 1st June, as well as that of 23d preceding; that the cases being in a state of rest, he, after the 3d of June, gave notices of trial; that remonstrating notices were served on him without avail; that he tried to force on the trials on 23d May, and opposed their postponement to 13th June; that up to the 12th he continued to press them for trial, and was aware that evidence was sent for from London; that on the 12th he opposed any adjournment on the ground of evidence not having arrived, and the cases were to be taken first next morning, the 13th, unless Mr. Nash arrived, and then the C. J. thought he would delay them for a day to prepare the parties' evidence; that Mr. Nash having arrived, at great inconvenience, on the 12th, the causes (retained first in the paper for the 13th) were called on on the 13th, when the court was informed of the facts, and it was only on Mr. Nash's producing and proving the original agreements of 1st and 2d June, that the causes were not tried, the judge declaring that he would not try them in face of it, and ordered them to stand at the bottom of the paper, but pressed much that Mr. Nash's and the other evidence should be taken, so as to save keeping Mr. Nash or bringing him over again; Mr. Nash thought that the interests of all parties required a different course, and three days' notice of trial was ordered to be given, to enable Mr. Nash to attend. The cause list had

had only about 40 causes; *these were in the paper for the 17th* (18th and 19th again for trial).

Mr. Kane declared in court on the 13th that he knew nothing of the agreement as to the Irish trials, that it had never been communicated to him; and on the 17th he called on Mr. Meade to show them that he had not, and a letter from Mr. Hunt expressing surprise that the arrangement had not been communicated to him by his establishment.

The Irish agent is now going on with actions for *the assize*, and three cases, I believe, are pleaded in to-day.

It will be seen how unfair has been the course of proceeding here, evidently for costs, and how uncalculated are the remarks as to the journey which Mr. Nash had, most unwillingly, to take.

To Messrs. Hunt.

We are, &c.
Lewis & Nash.

(F.)

Gentlemen,

24 June 1850.

We find that the Dublin causes were continued in the paper for trial on Tuesday and Wednesday last, and on the latter day ordered to be postponed by the court; Mr. Nash was about leaving Dublin when he found that the Company had given notice of trial on the evening of the 20th, for the *South Assize*. We must protest against this violation of the engagements "to stay proceedings until the motions disposed of, and answers filed;" we shall be glad to know what instructions you have given Mr. Kane, as he repudiates all control.

To Messrs. Hunt.

I am, &c.
Fred. Aug. Lewis.

[Motions are on 17 July, for inquiries.
Meantime actions tried in Ireland against shareholders.]

FURTHER REPORT, ASSOCIATED SHAREHOLDERS.

REFERRING to the "Report" of the "Associated Shareholders" we have to add that the resistance by the shareholders, and the proceedings against the directors, at length led to overtures by the latter; in April and May agreements were made to suspend all legal proceedings and trials on both sides. On 1st June three directors pledged themselves to do their best to effect a "wind up" of the company, and obtain powers for the purpose; and their solicitor engaged that nothing should be done by the directors affecting the interests of the shareholders, as far as he could influence them. Notwithstanding those agreements they proceeded in Ireland against the shareholders.

Then the shareholders proceeded with the motions, and on 17th July obtained an injunction restraining works, calls, actions, and the directors voting or acting on the South Wales Company's shares, until 2d November.

The shareholders brought the matter before the House of Commons, but it was defeated by mis-statements for this Session.

The directors allege a Board Resolution "to wind up," but only to do so in their own way, namely, (1.) To collect in all arrears of calls through the solicitors. (2.) Themselves to settle all claims and liabilities, and take power to make further calls. (3.) Provided they have a requisition from the proper proportion of shareholders for this purpose, and binding them to the foregoing. The directors refuse access to the "register," for the means of complying with this secret resolution. It is impossible to adopt that resolution enabling the directors to wind up in secret, and to settle their own accounts; the shareholders desire a "wind up and dissolution" in a legal way and by an independent authority, such as the Commissioners of Railways under the "Railway Abandonment Bill," the expense of which would not be *so* great.

It is necessary for all registered shareholders desiring a dissolution, and if possible a return of some portion of the money paid, to unite, and to have their wishes represented at the meetings, &c.

Saturday, August 1850.
52 Parliament St., London.

Yours faithfully,
Charles Nash.

FURTHER MEMORANDUM, 2d August 1850, in continuation of Statement (pages 33 and 9 and 29) in printed papers, No. 297 and No. , and the printed petitions Nos. 777 and 903; and in explanation of some topics inaccurately used, and producing erroneous impressions as to the Associated Shareholders, and their proceedings and acts.

THE Printed Papers, Nos. 297 and , contain the "Reports of the Associated Shareholders," and the "Statement" laid before the House of Lords, and there complained of (pages 1 to 13); also the evidence thereon (pages 14 to 24), and part of the correspondence with the Commissioners (pp. 24 to 26).

(1.) CORRESPONDENCE

(1.) CORRESPONDENCE WITH COMMISSIONERS OF RAILWAYS.—R. W. Nash.

THE correspondence (pp. 32 to 36 of No. 297), shows, it is submitted, that the Commissioners called for "written statements preparatory to interviews with the opposing shareholders;" that statements were sent in; that the interviews were not afterwards granted or proffered; that no reference was made to the "powers," duties, or "functions," of the Commissioners throughout the correspondence.

It is submitted that the case is peculiarly within their functions; it relates to the violation and abuse of Parliamentary powers and regulations, under unparalleled circumstances (by the persons mentioned in page 9 of No. 297.)

It follows that the allegation made, of Mr. Nash being required to "point out anything within the Commissioners' functions," "failing to do so," &c., has no existence in fact.

It appears from the correspondence (Return 297, p. 24 to 30, and) that after seven weeks' correspondence with Mr. Nash, and well knowing that the statements sent in to the Commissioners had emanated from him, without requiring any explanation or giving any warning, the Commissioners, in conjunction with his opponents, suddenly took one of those statements (on 15th March), pp. 1 to 13 of No. 297, to the House of Lords.

(2.) HOUSE OF LORDS' PROCEEDINGS.

The Commissioners complained that it was "in a form calculated to mislead as to its source;" on that point alone did the Lords adjudge; they did not adjudge as to the "missing documents."

The allegation that the House of Lords investigated fully as to the missing documents, and came to a decision and censure thereon, is shown to be unfounded by Return 297, pp. 14 to 24. That House only incidentally asked a few questions out of 188, as to the original documents, on an *ex parte* statement and movement, where only one side was heard, refusing a full investigation, no opportunity for it being offered.

(3.) THE MISSING DOCUMENTS OF 1846.—

Which were inspected by us in 1848, and which were not missed until 1850, are most material to the shareholders against the directors. Whose interest is it to suppress them? Those documents were in the immediate custody and control of two officers who are shown by those documents to have been "original allottees" of shares in this company, through interest with their friends on the direction (pp. 9-11 of No. 297). A copy of one of those documents was "appended" to the "statement" complained of (p. 13).

Notwithstanding the mode in which the questions were framed by Lord B——, in the House of Lords, it yet transpired (questions 113 and 175 in No. 297) that Lord Brougham, and consequently the company, knew of the loss or absence of the documents two days before the "search" for them was made by Mr. Dickinson. Although a copy has been for four months verified before the Master of the Rolls, no attempt has been made there by the directors to impeach said copy (Appendix 2, p. 13, of No. 297).

When to these facts are added, that one of those officers has lately absented himself, not, it is believed, on this account, and that one of the answers in his evidence has been altered from "No" to "Yes," (question 166), is it not due to the House, to the officers, to the parties, and to the better preservation of the documents deposited, to have inquiry made? not as "reflecting or casting imputation" on any one, but to devise remedies and better securities.

(4.) REMEDY FOR THE LOSS.

Why should the directors or the Government resist such an inquiry, and the punishment of any parties implicated? The parties interested have an order of this House for the production of these 11 documents in evidence. It is not their interest to suppress them. Are they not entitled to call on the House to *devise some remedy for the loss*? To give a thorough research and investigation, or a fresh return of the information contained in the documents under the Peel and Duncombe resolution of 1846, a large bundle of which has been mislaid or abstracted, and the residue of the bulky deposits left in the House (vide Printed Petitions, Nos. 777 and 903, and subsequent petitions refused to be printed, "because requested not to do so"). Mr. Hayter, as a provisional director of this company, owes it to his own character to promote such an inquiry.

(5.) ABUSE OF PARLIAMENTARY POWERS, AND DEFEAT OF A PUBLIC WORK.

It is denied that this is a "mere squabble" between shareholders and directors. It takes far higher ground. The shareholders do not desire to escape from any legal liability; all the genuine independent shareholders are of one opinion,—not 60 out of 1,300 can be found to support the directors,—but they deny the legality of all the proceedings.

It concerns the public and Parliament—in the defeat of a public measure, Parliamentary forms and safeguards,—not by the ordinary causes of failure or misfortune, but by most nefarious, illegal and fraudulent means, and the exercise and abuse of the powers of Parliament; and impositions on it as well as on the constituents.

Indeed it becomes a case for prosecution by the Attorney-general, if the statements in the "Reports," and those at pages 29 and 38 of No. 297, and the petitions, are correct or deserve notice.

The Court of Chancery in no way touches these questions of abuse of powers and defeat of Parliament, loss of documents, or remedy for the loss.

The Papers and Petitions (of 1847 as well as 1846) allege, and, if true, establish the grossest violation of all Parliamentary regulations: Frauds and evasions, and impositions on Parliament; the obtaining of the Act of Incorporation by fraud and deceit; the carrying out of the powers of the Act by fraud and misrepresentation; denial of access to books and accounts; abuse of powers; defeat of shareholders' powers by iniquitous and unparalleled means;—for all of which there is no remedy but through Parliament.

Parliament has a right, and is bound to inquire into the defeat of a project by such means, and the necessity for altering its own regulations and the law, so as to better protect shareholders and the public.

Sir R. Peel, in the debates of 1846, said, "if it should appear that provisional committees or directors traffic in shares, in order to overpower the sense of shareholders at any meeting, if undue means are resorted to for the purpose of counteracting the intention of Parliament with respect to Railway Bills, I do not believe such parties will be exempt from Parliamentary inquiry and censure, and it will be the duty of Parliament to expose their transactions and lay them before the world."

THE LINE.

THE line was projected in 1845, for 160 miles; capital, two millions; in 100,000 shares of 20 l., but half the shares were allotted *bona fide* (Return 297, pp. 3 and 13). The Parliamentary deposit of 10 per cent. was fictitious (page 4 of Return); the provisional committee (page 6) sign for 34,000 shares (page 4 of Return). The insolvent state of the share register is evidenced by page 6 of Return 297. Fictitious deeds to most and evade Parliamentary regulation, and deceive Parliament and the shareholders, were created, and fictitious subscriptions added to make up the Parliamentary number (pages 4 and 33 of No. 297), and were used throughout to control, deceive, overpower, and defeat the genuine and independent shareholders.

When, in December 1846, there was a *bona fide* majority for "stopping the Company and winding up," the directors (named at page 9) bought up shares, refused to register holders by purchase, if hostile to them; registered original allottees against their will, and then bought up transfers or votes; bought off proxies from the opposition; took the South Wales Company's capital in 1846 secretly and illegally, as stated by the Commissioners in their Report, 1847, to buy up shares to overpower the genuine holders; and committed the other nefarious acts detailed in the "Shareholders' Reports" (pages 33 and 29 of Nos. 297 and 298). The subjoined letters of Carden & Whithead, &c., as to buying up shares and hiring shareholders to vote at packed meetings, serve to illustrate these proceedings (A.A.).

By these and other iniquitous means they created a fictitious majority, which they have used at every meeting to overpower the shareholders, pass their accounts, dissolve the meetings, refusing discussion or access to the books, or any control or expression of opinion, as detailed in the "Reports." This defeating the powers of the shareholders and the provisions of the Companies Clauses Act, and the intentions of Parliament.

In this state of affairs genuine holders transferred to paupers, and others resist the legality of the whole proceedings.

The shareholders have thus become reduced from 100,000 shares to 75,000, and down to now less than 20,000 in responsible or genuine hands, unwilling to go on, unable to carry out the project; and of which number there are 11,200 in South Wales Company's hands, "on which no more calls are to be paid" (vide pages 6, 7 and 33, of No. 297, &c.).

By fraudulent means a complete control has been placed in the hands of a "majority of the directors perversely nominated by the South Wales Board, nominally on footing of a fictitious subscription in future, never made. The same men are on the direction of both Companies (vide pages 33 and 7 of 297).

Not three miles of the line have been half made in four years. The whole capital raised has been expended in excavating rocks; 100,000 l. in expenses; 50,000 l. on works and land (pages 5 and 7 of No. 297). The Company is 50,000 l. in debt. The works are all abandoned (Reports of July 1850, No. 298). The project is defeated by these nefarious proceedings, and the shareholders (page 24 of 297, and p. 3 of No. 298) desire to dissolve. The landowners have been played with, and deceived and paralysed.

WIND-UP OF THE COMPANY.

The shareholders, with no discoverable exception, desire to wind up and dissolve, and to abandon the whole works. The directors wish to do so by themselves, in their own fashion and way (Appendix B), and not to come before the Commissioners of Railways with their accounts, under the "Railway Abandonment Bill," or before any independent authority. They allege that the "Railway Abandonment Bill" will not be made to apply to this case!

Thus the shareholders are without relief. Chancery cannot touch these matters, or anything but to stop the works and actions for calls; it can provide no remedy. Parliament alone

alone can interfere, and at least investigate the statements which cast such a stigma on The House and its Members, the parity of the laws of this country, and the practices in Parliament.

This explanation with reference to topics used on Sir W. Vermer's motion for an inquiry, will remove any unfavourable impression, which was not intended to be created by any imputations of any kind on any department.

August 1859.

On behalf of the associated shareholders,
Charles Nash.

(A. A.)

The following Indemnity was given in some cases.

"In consequence of your having this day executed a transfer of your shares in the W. & Co. Company to
We hereby undertake that such transfer shall be accepted by the purchaser thereof, and that you shall be released from all further responsibility, and be held harmless and indemnified from any calls.

"R. D. Kane & A. Symes, Solicitors to W. & Co., Dublin."

15 February 1847.

The following Circular was printed and sent to Members.

You are probably aware that you have been registered for shares in the W. & Co., in consequence of the scrip-holder having failed to register himself. The object of this is to inform you that, provided you give us an early call, not earlier than Wednesday nor later than Friday, we can relieve you of the responsibility you have so unwillingly incurred.

Carden & Whitehead, Stock Exch.

Gentlemen,

Clonmel, 15 February 1847.

On yesterday (Sunday) a partner from the firm of Carden, Whitehead & Co. of London, stockbrokers, waited on me, with others in town who are interested in W. W. W. Railway Company. His object was to obtain a withdrawal of our proxies, and to get an assignment of our shares to them, relieving us thereby from all further responsibility. He was also fortified with letters from Lord Duncannon to Mr. Bismont, requesting his influence in the matter.

Sir,

2, Royal Exchange Buildings, February 1847.

Finding you are registered for shares as an original allottee against your will, in the Waterford, Wexford, Wicklow, and Dublin Railway Company, by your favouring us with a call on or before next, we will release you from all responsibility by taking a transfer of the shares.

Carden & Whitehead.

Sir,

February 1847.

We enclose you a draft for £1.10s., and by your attending the meeting which will be held at 449, Strand, and giving your vote, we will add to the amount afterwards. If you have any friends whom you know to be registered shareholders, we shall feel obliged by your sending them to us, and we will treat with them.

Carden & Whitehead.

Sir,

16 February 1847.

If you are at the meeting by 2 o'clock you will be in ample time, the ballot may not take place till later in the day. It will be necessary that you support the directors in any proposition they may make, by going to vote in their favour; the mode of voting the secretary will explain.

C. & W.

19 February 1847.

Messrs. Carden & Whitehead think it right to give Mr. notice that until the meeting of the Waterford, Wexford, Wicklow, and Dublin proprietors be actually concluded, it will be necessary for him to be in attendance to vote on any division which may take place; one took place yesterday afternoon, at which they hope he was present.

C. & W.

Waterford, Wexford, Wicklow, and Dublin Railway Company.

Sir, 52, Parliament-street, Friday Evening.

I AM informed that to-day copies were ordered by the House of Commons of all communications on hand, and I beg to offer, if it will facilitate your department, to furnish you prints of the reports, &c. of the shareholders, which were sent to your department in print.

Captain Simmons, &c. &c.,
Secretary Railway Commission.

I have, &c.
(signed) *Charles Nash.*

Office of Commissioners of Railways,
Whitehall, 10 August 1850.

Sir,

I AM obliged by the offer contained in your letter of yesterday, of copies of the printed reports, &c. which have been sent by you to this department, and will thank you to furnish them, in order to facilitate the completion of the return to the order of the House of Commons.

C. Nash, Esq.,
52, Parliament-street.

I have, &c.
(signed) *J. L. A. Simmons,*
Capt. Royal Engineers.

3 W.'s Co., Parliament-street,
10 August 1850.

Sir,

HEREWITH you will receive a copy of each printed report, as corrected and issued.

Captain Simmons, &c. &c.

I have, &c.
(signed) *Charles Nash.*

Waterford, Wexford, Wicklow, and Dublin Railway Company.

Sir, 52, Parliament-street, 28 November 1850.

WE have to communicate to the Railway Commissioners, that at the adjourned general meeting of shareholders of this Company, it was resolved, that a deputation should wait on the Railway Commissioners and the Attorney-general, on the subject of the affairs of this Company, and especially regarding the "Railway Abandonment Act," and the difficulties in the way of its operation, with a view to an amendment thereof in the next Session of Parliament.

We have the honour to inquire whether it will be acceptable to the Railway Commissioners to receive a deputation on the subject of the Railway Abandonment Act, and its failure of application to this Company, in order that we may arrange with gentlemen to form such a deputation, some of whom reside in the country.

To the Secretary Railway Commission,
&c. &c. &c.

We have, &c.
(signed) *Lewis & Nash.*

Office of Commissioners of Railways,
Whitehall, 2 December 1850.

Gentlemen,

I HAVE been directed by the Commissioners of Railways to acknowledge the receipt of your letter of the 28th ultimo, and to inform you that before they make any appointment to receive a deputation from the shareholders of the Waterford, Wexford, Wicklow, and Dublin Railway Company, they are desirous of having a written statement of the amendments which the shareholders are desirous of proposing as to the Railways Abandonment Act.

Messrs. Lewis & Nash.

I have, &c.
(signed) *Douglas Galton,*
Assistant Secretary.

In re Waterford, Wexford, Wicklow, and Dublin Railway Company.

Sir, 52, Parliament-street, 27 December 1850.

WE have, on behalf of the associated shareholders of this Company, to lay before your Commission, for its consideration, a copy of the report of the shareholders' committee of 30th October last.

I have, &c.
(signed) *P. A. Lewis.*

(Enclosure in Letter of the 27th December 1850.)

WATERFORD, WEXFORD, WICKLOW, AND DUBLIN RAILWAY COMPANY.

SHAREHOLDERS' REPORT, 30 Oct. 1850.

THE adjourned half-yearly meeting of shareholders in this company was held on Wednesday, 30th October 1850, at the King's Head Tavern, Poultry.

Mr. Palford was called to the chair.

Sir Wm. Verner, bart., M.P., said that he had attended the meeting of the company held in Dublin the other day (31st August), in consequence of his attention having been called to the affairs of the company, and also on account of the part he had felt it his duty to take in the House of Commons with regard to the proceedings of the directors. That meeting was convened in Dublin, contrary to the usual practice. He believed that with one exception all the meetings of the company had been previously held at the office, 449, West Strand. However, it was not until he arrived in Dublin that he discovered that the object of the directors was to hold no meeting at all. At the appointed time a considerable number of shareholders were present, and, after waiting half an hour, Lord Courtown, the chairman, stated that there was not a sufficient number of shareholders present to constitute a meeting, and, at the end of another half-hour (two o'clock), his lordship declared the meeting dissolved. He (Sir W. Verner) was desirous that the directors should at least hear what they had to say, and on account of the course he had himself taken with regard to the company in the House of Commons, he wished to make some explanation, and, if possible, obtain some information from the directors with regard to what they intended to do. In reply to this, Lord Courtown said that the meeting was dissolved, and that being the case, that he could not, nor would not, hear what he had to say on the subject. So the shareholders present had no other alternative but to get some other gentleman to take the chair, Lord Courtown and the directors having left the room. Just at that moment Mr. Kane, the solicitor to the company, presented himself, and stated that the room was his, that he had engaged it, but he declined in the absence of the directors to state whether it would be paid for out of the funds of the company or not. A further unsuccessful attempt on the part of Mr. Kane was made to compel them to leave the room, but finding they were determined to proceed to business, Mr. Kane retired. A chairman was elected, and the shareholders present not only stated their opinions pretty freely of the trick which had been played on them, but passed resolutions expressing their disapprobation of the proceedings of the directors. They also passed a resolution adjourning the meeting to Fendall's Hotel, London, and, by subsequent adjournments, to the place in which they were then assembled.—(Cheers.)

Mr. Charles Nash, honorary secretary to the committee of shareholders, proceeded to read the following report:

Associated Shareholders and Committee—Further Report.

The time has arrived to report on what has passed since the former report was made, and the following account of important operations and results is submitted to the shareholders:—
1st. The directors adopted the novel course of calling the "August half-yearly meeting" in Dublin: it was so necessary for the protection of the dissentient shareholders to continue (formally at least) to dissent to their proceedings, that Sir W. Verner, bart., M.P., to whose exertions the shareholders are deeply indebted, and Mr. Nash, went expressly to Dublin. Mr. Nash personally canvassed all the Irish shareholders, and also collected proxies from above 60 holders for that meeting, and was in a position to outvote the directors if they had condescended to form the half-yearly meeting. The directors themselves collected proxies from paid-up shareholders for their own purposes at that meeting; but they discovered two days before the meeting, that there was a majority of paid-up shareholders against them, and that they would be in a minority. Thereupon they appear to have excluded from their calculation of "shareholders constituting the meeting," all those who had not paid the disputed calls, whereby the numbers represented became reduced to a number less than the statute required to "constitute" a meeting. At that meeting on 31st of August, they declared that there was no meeting constituted, and they refused any explanation, or to listen to any remarks, and threatened the shareholders with the Dublin police. The opinions of two counsel have been taken, and they are clear that shareholders in arrears can form a meeting,

meeting, and act in every way except to vote on a ballot; consequently this meeting is held as an "adjournment" of that half-yearly meeting. We now proceed to communicate what has been accomplished since our last meeting.

2d. We have secured (as we believe) a "dissolution of the Company, and abandonment of the scheme." After we had taken legal proceedings, and after the signal failure of the last desperate effort in the "House of Lords" to defeat or discredit this opposition (then pressing closely upon the directors personally), overtures were made by the directors to "suspend proceedings in England and Ireland on both sides;" to which we assented. Subsequently, on 1st June, we obtained a written pledge "to dissolve the Company," &c. [Appendix.]

3d. The actions for calls, which were threatened in 1848, and again in 1849 and 1850, have been stayed. Agreements to try only three actions against the associated shareholders have been made, and further stayed by injunctions up to November term.

4th. The "further calls" threatened have also been stayed, and ultimately the intention abandoned. An injunction has also been obtained restraining further calls for the present.

5th. We "agreed to postpone" our proceedings in Chancery, &c., against the directors personally; our trials at common law for damages, fixed for June; the indictments against the past and present directors for malfeasance, abuse of powers, &c., prepared under counsel's advice; our opposition to the "South Wales" Bills, and at their meetings; proceedings in Parliament; mandamus to inspect books; public discussions of the facts charged against the directors; defended the shareholders from actions, &c. &c. The Chancery motions stand for next week, for an injunction.

6th. Notwithstanding these concessions, and in spite of the "arrangements" made, the directors have prosecuted "actions against shareholders in Ireland," down to this time, at enormous expense—pressing with peculiar severity upon individual shareholders—and to arrest which we made many efforts. The correspondence, we submit, convicts the directors of a *breach of faith* and oppression on the shareholders, of which some explanation should be given, as it discredits them to any confidence. [Vide Supplement.]

7th. The "works" (which were estimated to take 70 years to finish at the rate at which they were progressing) were stayed by injunction, and ultimately stopped altogether.

8th. The directors have not ventured to proceed with their "Bill" in Parliament, for which every opposition was prepared by us. The Bill, as framed, would have cast upon the *solvent* holders a positive liability to raise among *themselves* "half a million at least." We also watched "other measures" affecting you.

9th. Although the endeavours to obtain a "committee of investigation in the Commons" were for the time defeated, owing to the lateness of the Session, and the mis-statements made, to which a direct contradiction was publicly given by Mr. Nash, yet various "returns" were ordered and documents printed by Parliament, illustrative of the management of this Company, preparatory to renewed efforts in the next Session, to which your assistance is solicited.

10th. An inspection of the "works" confirms our previous statements of the delusive and reckless character of the scheme: not three miles of line (on the sea side of Killiney and Brayhead rocks, round and through desolate rocks and precipices, overhanging the sea on one side, with mountains on the other) have been above half cut and finished. The boasted "gift of land" (part of solid rock) has cost us about four and a half miles of solid wall five feet high, a roadway 15 feet wide, with another solid projecting wall, averaging five feet depth for three miles, all round the rock, overhanging the sea, above the proposed line of railway!! The present state of Ireland, the past reckless management, the worthless nature of the scheme itself, have rendered the earliest "abandonment" of the scheme the best course; the directors have at length yielded to this great object of our labours. We find that, notwithstanding their continuous and recent boast of the profitable nature of their "scheme," directors, solicitors, secretary (who held five shares), architect, and other official, and their friends, have since transferred their shares to poor persons, and gone off the registry of a Company which they boasted so late as the last meeting would pay six per cent.

11th. We have satisfaction in communicating this success of labours commenced and pursued, for nearly three years, under "heavy blows, great discouragements," and circumstances unequalled, with bitter personal opposition from directors, defections and supineness of shareholders, great expenses, and contests unparalleled in railway history, and of which the shareholders have as yet but little idea. Better and more speedy results might have attended this perseverance, with an ordinary constituency; but by an early and economical "winding up" (after settling some preliminaries), the loss to the shareholders will be trifling compared with what it would have been if the delusions disseminated by every half-yearly report had continued to mislead the shareholders, and to make them the "laughing stock" of Ireland. In effect, one grand object for the shareholders has been accomplished, namely, a stoppage of and abandonment of the project. If we

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were to close here, our labours would not have been unproductive, but it is necessary to have the cordial co-operation of the shareholders with this association to ensure a proper termination of the affair, with that spirit of fair play and absence of personal feeling which we have ever desired.

12th. It is clear that but for the efforts made during the last three years, shareholders would have confined in the *dividend reports* of the directors; calls would have been made, and paid or enforced, and the whole 20*l.* per share would by this time have been called up, and become not worth 20*z.* when the real position of affairs was ascertained. The stoppage of a vast number of actions for calls for a long period, and further until three are disposed of, is a cause of much gratification to the shareholders; one action was tried in Ireland, but under circumstances not affecting other shareholders; other actions in Ireland were delayed through the instrumentality of the associated shareholders in London.

13th. *Railway Abandonment Act.*—We also watched, and gave much assistance to the passing of the "Railway Abandonment Bill," in the belief that it could be, and that it would be, by your directors, applied to this company. That Bill was opposed by the *Great Western Direction*, and Mr. Hayter, the treasury secretary, formerly a director of this Company. They also opposed suggestions and provisions which would have facilitated its operation. Proceedings were taken in the spring of 1850, against Mr. Hayter and other directors, to obtain a proper investigation of the affairs of this company, and to fix them personally with certain liabilities; overtures were made, and undertakings entered into, to give a wind up and dissolution of this company, as before observed. Afterwards the solicitors of the company, by letters of June and July last, pressed us for a "requisition" from the shareholders to "wind up and dissolve this company," upon which they avowed their readiness to act. Endeavours have been made, and are still making, to obtain signatures to a "requisition," and the shareholders throughout Ireland have been personally canvassed by Mr. Nash for the purpose. But it has been found that no facilities for the requisitions have been afforded by the directors. Access to the "register of shareholders" has been refused; the "shareholders' address book" has been imperfectly kept; the poor persons holding the directors', solicitors', and secretary's shares have not been permitted to sign it, and other persons were dissuaded from doing so. The directors might have called a meeting, and put such Act in force without a requisition. The directors, in a late "report," refer to their "intention to wind up, and to obtain a special Act for that purpose," finding that the Railway Abandonment Act disappointed their expectations in that respect. This means a wind-up in *their own way*, and an audit of *their own accounts* by themselves, and may be characterised as delusive, and a means of prolonging the existence and the expense of the company, and the liability of the shareholders. It has been ascertained that the "Kingstown Company" will not interpose as a bar to a "wind up" of this company any contract with them, but they will seek for compensation for the breach of some contract. The obstacle is thus shown to be an imaginary one, and this company can be amicably wound up (at a cost of less than 30*l.*) under the Abandonment Act, instead of a special Act, which would cost 3,000*l.*, and might not be granted!! In an interview with the Solicitor-general he promised an amendment of the Abandonment Act next Session, if it were found not to work. It is proposed, that a deputation be appointed to wait upon him, and to concert measures for an amendment of that Act.

14th. The "printed" accounts for the last half-year to 30 June 1850 (audited by Mr. Codd, who has transferred his shares to a window-cleaner, and by Mr. Slade, the company's counsel), affords no real information on the state of affairs. An inspection of the books of the company has been had, and the directors have been compelled to exhibit a "balance sheet," and a "statement of debts, liabilities, and assets of the company," under the statute. It appears thereby, that the directors had only "cash in hand (in June) 2,144*l.*," but according to the "answers" of the directors, in Chancery, it was only 600*l.* in September. That the "debts due by the company," as admitted by the directors, are:

	£.	s.	d.
"For land purchases, assumed at - - - - -	16,500	-	-
For works, expenses, engineering expenses, law costs, office expenses, &c. &c., assumed at - - - - -	11,000	-	-
	£.	27,500	-
Interest due to shareholders - - - - -		579	-
Calls paid in advance - - - - -		210	-
	£.	28,289	-

But it is believed that these items do not include compensation to the Kingstown Company, to contractors, to landowners, &c., for loss of the line, inasmuch as in their answers in Chancery, the directors state that there will be other "claims amounting to, it is supposed, 75,000*l.*" To meet this debt of 28,289*l.*, the directors state the "credits and property" to be—

"Land, cost [including, we assume, the lands for which 18,500 £ is to be paid, and 10,500 £ has been already paid] - - -	£. 27,021
Works in course of construction, cost [including 'Killiney Tunnel contract' (on Kingston side of Bray), 19,165 £, and Bray Head (the other, or Wicklow side of Bray), 29,880 £.] - - -	40,803
Balance cash in hand - - - - -	2,724
Office furniture, &c. - - - - -	150
Arrears on calls and interest - - - - -	£. 79,898
	84,889
Cost and expenses, Parliamentary, &c. - - - - -	£. 164,587
	85,506
The share capital received is only to the 30th June - - -	£. 148,380 "

Assuming the directors' own accounts and figures, it thus appears that the existing debts (if legally chargeable against the shareholders) are only 28,389 £, whilst there is 79,898 £ assets, besides the 84,889 £ arrears of calls. However, no shareholder can or will object to contribute an equitable proportion to the fair liabilities of the Company, upon a wind-up and dissolution which would legally exonerate him from further liability.

15th. These accounts further show that the secretary's salary, reduced in deference to the opposition to 800 £ a year, the directors' allowance of 1,000 £ a year, the rent of attics in the Strand at 600 £ a year, are still chargeable upon the shareholders. This half-year's Expenditure also includes (to 30 June 1846) :—

	£.	s.	d.
Travelling expenses - - - - -	19	14	6
Petty cash expenses - - - - -	70	-	-
Kingstown office rent (150 £ a year) - - - - -	-	-	-
Office expenses - - - - -	39	12	6
Postages - - - - -	8	18	7
Coals—[N.B. At Kingstown the usual charge is about 19 s. per ton] - - - - -	9	15	6
Sundries - - - - -	18	5	6
Travelling expenses - - - - -	53	8	8
Brass engineering expenses, on account - - - - -	684	14	8
Advertisements, printing, &c. - - - - -	-	-	-
Newspapers, &c. - - - - -	-	-	-
Parliamentary and law expenses, including session 1846, on account - - - - -	1,400	-	-

16th. *Criminal Proceedings.*—The conduct of the directors in the maladministration of this Company's affairs was laid before a "criminal counsel," who advised that an "indictment for misdemeanour" would lie, and an indictment has been drawn thereon. The overtures afterwards made, and the concession of a dissolution, suspended such proceedings; but it is now proposed to refer the criminal proceedings to the associated shareholders to reconsider. That opinion is of such general importance, that it is subjoined.

In their answers in Chancery, Lord Cottenham and Sir Thomas Esmonde have ventured to say, that they would not attend the celebrated February meeting of 1846, for fear of violence from the shareholders; that they never heard of any "resolutions of censure" by the shareholders; that they have no information, knowledge, or belief as to the buying up of shares, and hiring of shareholders, by "Carden & Whitehead," or by Kane or Symes, the Company's solicitors—nor of their letters or indemnities to shareholders; whereas such letters have been read to them publicly, and the resolutions of censure also sent to them. It is proposed to take the advice of counsel, as to an indictment on these and other heads.

17th. *Propositions.*—It is proposed on behalf of the associated shareholders, 1. That they approve of and adopt the resolutions of the former meetings of February and March 1846, and February and 31st August 1846. That under continued protest against the legality of the directors' acts, and denying all liability as shareholders or otherwise. 2. That they disapprove of, and reject, the directors' reports and accounts presented, and repudiate their acts, and authorize the acting shareholders to investigate, and take such proceedings to investigate same, and to continue the existing proceedings as they think fit. 3. That the associated shareholders be requested by this meeting to communicate with the Railway Commissioners and the Attorney-general, as to the Railway Abandonment Act, and the position of this Company. 4. That all payments and allowances for directors, secretary, auditors, engineer, officers in the Strand, be disallowed in the accounts, and also cease from henceforth, and that the present secretary, R. M. Muggridge, be dismissed, and the auditors be, and are hereby dismissed, without prejudice to the non-liability of the shareholders in respect of such matters, and under protest against the legality thereof, and liability for same.

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In conclusion, if our endeavours were to stop here, we might fairly congratulate the shareholders on the result of three years' arduous struggles against strong and powerful interests, unfairly pressed against this opposition, which was seeking to effect a legitimate and now conceded object, and having only one desire, namely, the protection of the shareholders against delusions of an extraordinary nature. It remains now to carry out those results by an economical course of winding-up the Company.

By order,

(signed) *Charles D. Nash*,
Acting Hon. Secretary.

18 October 1850.

Mr. Nash, on the part of the committee, concluded by moving that the report be received and adopted, and in reply to a question put by Sir William Verner, said there was an injunction stopping all proceedings for the present, which would come on for discussion next week.

Mr. J. A. Gallini seconded the motion.

Mr. W. P. Richards remarked, that however anxious they may be to express their opinions of the conduct of the directors, it was necessary that the part referring personally to the directors should be at least modified. He hoped yet they would all be on better terms with the directors, and he was anxious, therefore, that nothing should be advanced by the committee which might have the effect of precluding the possibility of an amicable arrangement. He would, therefore, suggest that the part of the report which referred to the directors personally should be omitted. The shareholders had no doubt much reason to be dissatisfied with the proceedings of the directors from the commencement, and although there were many passages of the report in which he concurred, he hoped they would agree to omit the part to which he had alluded.

After some conversation, in which Mr. Willan, Mr. Nash, Mr. Richards, Mr. F. A. Lewis, solicitor, Mr. Hadley, and Sir W. Verner, took part, the suggestion of Mr. Richards was agreed to, and a series of resolutions were passed to the effect that under the continued protest against the legality of the directors' acts, and denying all liability as shareholders, the report of the committee be adopted; that this meeting disapprove of and reject the directors' report and accounts presented at the meeting on the 31st of August; that the services of Mr. Meggidge, the secretary, are no longer necessary, and that his salary be discontinued from this date; that the associated shareholders be authorised to communicate with the Railway Commissioners and the Attorney-general, as to the Railway Abandonment Act, and the position of this company; and that the meeting cannot recognise the accounts, nor the proceedings of the auditors.

On the motion of Mr. Richards, the best thanks of the meeting were voted to Sir W. Verner for his services to the shareholders, and the great trouble he had taken to protect their interests.

Mr. Nash bore strong testimony to the valuable exertions of the hon. baronet.

Sir W. Verner, in acknowledging the compliment, stated that he had attended several meetings of the company, but had never taken any part in the proceedings until lately, when it appeared to him that the conduct of the directors was so highly objectionable that he could not hold back any longer from taking some part in the proceedings.

The meeting then adjourned to Wednesday, the 11th of December.

Office of Commissioners of Railways, Whitehall,
31 December 1850.

Sir,

I AM directed by the Commissioners of Railways to acknowledge the receipt of your letter of the 27th instant, with its enclosure.

I have, &c.

(signed) *J. L. A. Simms*,
Capt. Royal Engineers.

— Lewis, Esq.

IN RE WATERFORD, WEXFORD, WICKLOW, AND DUBLIN RAILWAY COMPANY.

Sir,

Parliament-street, 31 December 1850.

WE have the honour to lay before the Commissioners of Railways, for their consideration, a copy of the report issuing to the shareholders, and to which we have, on behalf of the associated ones, earnestly to solicit the consideration of the Commissioners.

We beg also to urge on their consideration that the true reasons actuating railway officials for the now carrying into effect of the "Joint Stock Companies Act of 1844," or the "Railway Abandonment Act of 1850," have more re-

ference to the investigations into the management and the probable exposition thereof, than to the imaginary claims of landowners, coupled with the uncertainty as to the extent to which landowners' claims would be entertained by the Commissioners, under that Act of 1850.

We have, &c.
(signed) *Lewis & Nask,*
Parl. Agents.

To the Secretary to the Railway
Commissioners.

(Enclosed in Letter of 31 December 1850.)

SOUTH WALES RAILWAY, AND WATERFORD, WEXFORD, WICKLOW, AND
DUBLIN RAILWAY.

Further Report, Associated Shareholders.—December 1850.

THE "associated shareholders" of the "S.W.'s Co." especially invite the attention of the independent shareholders of "the South Wales Co.," holders of the principal part of their stock, to this report on the present position of affairs, and as showing the necessity for their intervention and an independent management.

1. In our Reports of 1846 and 1849 we endeavoured to rouse the "South Wales" shareholders to their true position and policy, and foretold the fate of their boasted "guarantee" of five per cent., unless they threw off the withering influence of the "Great Western," and gave their shareholders independent officials. Recent events show that the prophecy was true, and it is now an avowed fact that the "Great Western" desire to escape from that off-pledged guarantee.

2. The delusion of broad gauge competition with the "Chester and Holyhead," for the Dublin traffic (by means of that mendacious speculation, the "S.W.'s Co.," and by the South Wales line to Fishguard), is now at an end; the "broad gauge" was sanctioned by the Railway Commissioners for the "South Wales" line on the faith of that delusion; the S.W.'s is at length strangled, and the "South Wales" line will be cut short of Fishguard; the reasons therefore for the "broad gauge" are gone, but the real markets for the South Wales traffic (the Midland and Northern Counties) are still cut off by the "exceptional gauge," and the "South Wales" shareholders are at the tender mercies of Great Western "working expenses," if the shareholders continue their present trammels.

3. We also find that notwithstanding the decision of the late "South Wales" meeting on 28th November 1846, the officials of that Company (being also officials of the Great Western and S.W.'s Co.) continue their advertisements for an application to Parliament, "to cancel, alter, &c., the agreements with the Great Western," and also to "legalise their subscriptions to the Irish and Welsh" lines, with which the directors were personally connected!

Such a step demands a strict scrutiny at the hands of the shareholders; and we trust to their co-operation in petitions to Parliament against it, and to investigate the proceedings.

4. The cancelling of the existing agreements between the Great Western and the South Wales Co.'s (ably discussed in the *Railway Times* of 29d November), will deprive the "South Wales shareholders," 1st., of the five per cent. interest on calls paid up from 1st January 1847; 2d., of the second guarantee of the capital and interest thereon contributed to "Irish and Welsh" lines, and future liabilities thereto. Those "contributions" were admitted to have been illegally taken out of "South Wales" capital by gentlemen who were directors of those other companies, as well as of the S.W.'s, South Wales, and Great Western Co.'s. 3d., it will also cast on the South Wales Company the liability to contribute *in future* to the capital of those companies, two of which (besides some of the Welsh companies) now announce their intention to go on! The "South Wales" shareholders will therefore have to contribute further sums, besides the 110,040 £, 9,287 £, &c., already paid upon an original liability of about 1,000,000 £, to the capital of Irish and Welsh lines! There is no escape, unless those lines be stopped and wound up.

5. Directors of the three W.'s and South Wales Companies intend to apply to Parliament to legalise their share speculations, or "subscriptions," in name of the South Wales Co. to the S.W.'s Co., Cork and Waterford Co., Tenby and Saundersfoot Co., Vale of Neath Co., Llynvi Valley Co. On these shares there have been paid 33,800 £; 6,000 £; 1,650 £; 60,000 £; 10,000 £, &c.; and there are further liabilities amounting to 178,800 £; 20,000 £; 10,000 £; 100,000 £, and 60,040 £; independent of the Swansea Valley, Llanelly, &c. &c., mentioned in our Report of 1849.

Some of the same directors, as directors of the Cork and Waterford, and the S.W.'s Companies, also intend to apply to Parliament to enable those companies to go on and make parts of their line, and call up further capital!

6. As to the *Waterford, Wexford, Wicklow, and Dublin Co.*—The same persons (directors of the South Wales, S.W.'s, and G. W. R. Companies), in 1846-7 admitted that they "had used the 'South Wales Company's' capital, illegally," for 11,200 shares,
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at par, and thus defeated the shareholders seeking a dissolution of that company in 1846-7. They next got from Parliament powers for a future subscription by the South Wales Co.; the "South Wales" shareholders tolerated further payments up to 3*l*. per share, on the repeated public assurance of Mr. Russell and Mr. Talbot that "no more calls would be made or paid on those shares," and "that there were agreements that unless the S.W.'s Co. could show the means of going to Wexford, no more calls were to be paid." The same was stated in the "Returns" to Parliament in 1849, in the "Resolutions" of the two Boards, and their correspondence in 1849-50. Those statements "answered their purpose."

The facts, as now related, present different conclusions.

In Session 1850 these directors applied for powers to make the S.W.'s line to Wicklow, which would have required all the South Wales Company's contribution; but that was opposed and defeated.

They seek, in 1851, the same continuation of the line and liabilities, yet propose to forego the "guarantee" which the South Wales Co. have, or ought to have, from the Great Western Company.

7. The existence of the "S.W.'s Company" is in the "South Wales Co.'s" hands; they hold half of its paid up capital, but unfortunately the Board of each contains the same ruling powers, and it is material to see how that has operated, and will operate.

8. Passing over what has been called the "fast and loose" play up to 1846, we confine ourselves to recent events. The "South Wales" Board has passed resolutions that the "S.W.'s" should be wound up; the "S.W.'s" Board now resolve to go on. The shareholders desire to wind-up and close their liabilities—their directors find it more convenient to themselves to say no. Their directors have given written pledges to the associated shareholders to wind-up; they called for "requisitions" to dissolve, and promised to do so—by their undertakings of 3d June, and letters of June and July—yet the "South Wales" Board would not sign the "requisition" to wind-up, and the officials have influenced other shareholders not to do so, and thus defeated the general object of the shareholders.

In their Report of 31st August 1850, the "S.W.'s" directors declared their intention to yield to the general wish and to "dissolve the Co., and to ask Parliament for powers;" yet in Nov. and Dec. the officials (connected with the South Wales, and Great Western, Railway Directors) advertise an application to Parliament to continue the line and liabilities, and refuse to call a meeting to dissolve the S.W.'s Co. under the recent Act.

The "South Wales" Board can at least make the effort to wind-up under "The Railway Abandonment Act;" why will it not try? Why resist the dissolution, which should be considered only in reference to the interest of the shareholders, and not of individual members of any Board?

In an affidavit (May 1850), by Mr. Brunel and the solicitors of these companies, it is stated as to the S.W.'s, "I believe the directors do not intend to abandon any portion of their said line, unless they shall be authorised so to do by Parliament—that if the Act (to shorten the line) shall be defeated, the directors intend at present to make the line as now authorised by Parliament"—and in their recent "answers" in *Chancery* (Oct. 1850) it is stated "that there does yet remain a further liability upon such 11,200 shares amounting to 179,200*l*.; but these defendants deny that the payment of such sum cannot be enforced from the South Wales Co.—on the contrary, defendants are advised and insist that if the shares in the said S.W.'s Co. shall be required to be paid up in full, the payment of the said amount can be enforced against the South Wales Co."—and accordingly they are taking steps to confirm such a result, and the officials are retreating from the concern by assigning to paupers!

In the argument (Nov. 1850) in *Logan v. Courtown*, before the Master of the Rolls, the "South Wales Co." actually contended and insisted that they were legally the holders of 11,200 shares in the S.W.'s Co., and liable to contribute upon them to the construction or expenses.

Under such circumstances the associated shareholders appeal to the independent portion of the "South Wales Co."—to interpose—to investigate these matters—to stop the yearly waste of capital in expenses and applications to Parliament—to insist on a wind-up of the Irish companies—or at least on the effort to wind them up, and on that honest performance of their duty which is characteristic of Englishmen: as also to insist on the powers of the "South Wales Co." not being used for any other than the legitimate purposes and benefit of that Company.

Failing which, shareholders must be prepared to bring the subject before Parliament, and show the influences which have operated on members of each Board, and made victims of the helpless constituents of both companies.

By Order,

Charles D. Nash, Hon. Sec.

Parliament-street, Dec. 1850.

WATERFORD, WEXFORD, WICKLOW, AND
DUBLIN RAILWAY COMPANY.

COPIES of the COMMUNICATIONS and PAPERS
which have passed between the RAILWAY
COMMISSIONERS and Messrs. *Lewis & Nash*,
and Mr. *Nash*, relating to the WATERFORD,
WEXFORD, WICKLOW, AND DUBLIN RAILWAY
COMPANY.

(Sir William Verner.)

Ordered, by The House of Commons, to be Printed,
12 March 1851.

118.

Under 3 oz.